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A case study of why amalgamating municipalities hoard

Silje Helene Løseth

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Abstract

How does municipal leadership legitimise the decision of whether to hoard ahead of an amalgamation? To answer this question, I conducted semi-structured interviews with eight political leaders involved in the amalgamation of Førde, Jølster, Gaular and Naustdal into Sunnfjord municipality in 2020. These interviews reveal three main explanations of increased spending, also known as hoarding, ahead of the amalgamation. First, an understanding emerged that some hoarding among the smaller municipalities was acceptable. It was seen as the price to pay for a successful amalgamation by the biggest municipality, Førde. Second, the smaller municipalities explained that they hoarded to ensure the long-term local provision of core services for their citizenry while they still could. Third, some informants cited the opportunity to internalise benefits of increased spending while sharing costs with the new municipality. I also find evidence to suggest that cultural differences between amalgamating municipalities and polarisation within them could be important determinants of hoarding in municipal amalgamations.

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Chapter 1 – Introduction

The 21st century has seen several comprehensive territorial reforms in the Nordic countries. In the Danish structural reform of 2007, 271 municipalities were amalgamated into 98 (Indenrigs og boligministeriet n.d.). Between 2001 and 2014, the number of Finnish municipalities was reduced from 448 to 317 (Kettunen 2014). Most recently, 428 municipalities became 356 in the Norwegian local government reform of 2020 (Skulberg 2020). Municipal amalgamations can impact society in several ways. Their potential economic, political, and organisational effects provide interesting research questions for social scientists from a wide range of disciplines. In turn, this research generates insights which can be valuable for local and national policymakers.

One of the well-documented effects of municipal amalgamation is known as hoarding. This occurs when impending amalgamation causes municipalities to spend more than they would have if it were not for the amalgamation (Askim et al. 2020). The most prevalent theoretical explanation of hoarding describes it as a manifestation of Hardin's Tragedy of the Commons (1968). After an amalgamation is announced, a period of one to three years typically follows before the new municipality becomes a legal entity. During this period, amalgamating municipalities know of the impending amalgamation but are still individually autonomous. Consequently, the collective spending power of the amalgamating municipalities becomes a common pool resource which each individual municipality can exploit by increasing its spending ahead of amalgamation. Furthermore, the law of $1/n$ (Weingast, Shepsle and Johnsen 1981) predicts that the smaller a municipality's share of the new municipality's population, the more it hoards. Thus, these rational choice theories make two unambiguous predictions about hoarding:

1. All amalgamating municipalities hoard
2. Relatively small municipalities hoard more than relatively big municipalities

There is strong empirical evidence in support of the first prediction. Several quantitative studies of territorial reforms from different countries find that the knowledge or expectation of future amalgamation is associated with increased spending (Askim et al. (2020); Askim, Houlberg and Klausen (2021); Borge and Tovmo (2020); Hansen (2014); Hinnerich (2009); Jordahl and

Liang (2010); Saarimaa and Tukiainen (2015); Sandvand (2021)). Evidence for the second prediction is contradictory. Several studies find that relatively small municipalities hoard more than relatively big ones (Hansen (2014); Hinnerich (2009); Saarimaa and Tukiainen (2015); Sandvand (2021)). On the other hand, some studies find no relationship between relative size and hoarding (Blom-Hansen (2010); Jordahl and Liang (2010)). On balance, however, the weight of evidence seems to be in favour of the law of $1/n$.

Overall, this rational choice explanation of hoarding is useful because it makes unambiguous and quantifiably testable predictions. It does, however, provide limited insight into *why* municipalities hoard. The theory only differentiates between amalgamating municipalities when it comes to their relative size, meaning that characteristics such as institutional culture, past experience and internal polarisation are predicted to play no part in hoarding. Although relative size does have a significant effect on spending, the quantitative models tend to have quite weak explanatory power, with R-squared values often less than 10 % (Askim et al. (2020); Askim, Houlberg and Klausen (2021); Saarimaa and Tukiainen (2015); Sandvand (2021)). This may indicate the existence of omitted variables, perhaps less quantifiable ones, which explain some of the remaining variance. It is therefore reasonable to question whether the rational choice theory of hoarding may understate the true complexity of the phenomenon.

Bråstein's (2018) research supports this possibility. She conducts what is to my knowledge the only qualitative study on municipal hoarding. Applying March and Olsen's (2004) logic of appropriateness to interview and document data from the Lindesnes amalgamation, she finds that an agreement between the amalgamating municipalities emerged in which some hoarding was accepted for the smaller municipalities (Bråstein 2018, 96). These findings are interesting because they show that hoarding can emerge as the result of collective agreement as opposed to the uncoordinated agency described by the rational choice theories of hoarding. This interaction suggests that there is more to hoarding than relative size. I consider Bråstein's (2018) findings and the other evidence above as indications that qualitative, case-specific studies are an underexplored and potentially fruitful source of new, theory-generating insight into the governing dynamics of hoarding.

In consequence, I have chosen to undertake a qualitative case study of the Sunnfjord amalgamation by conducting semi-structured interviews with municipal leaders to provide new insight into hoarding. Since informants may intentionally or unintentionally give biased

accounts, the true motivations behind hoarding are not directly observable in interview data. Instead, I observe the informants' legitimisation of the decision to hoard which may or may not be the true drivers of the behaviour. Thus, my research question is:

How does municipal leadership legitimise the decision of whether to hoard ahead of an amalgamation?

Since my study takes place after the completion of the Norwegian reform, I was able to select a case in which hoarding was well-documented. This was true for the amalgamation of Førde, Jølster, Gaular and Naustdal municipalities into the new Sunnfjord municipality. Central figures from the amalgamation process acknowledged hoarding in the local newspaper in May 2020 (Grimelid 2020). The advantage of this is that informants may be less likely to feel like they have something to hide when it is generally accepted that hoarding occurred. Consequently, they are more likely to give open, honest, and reflected answers to my questions. An additional reason for my case selection was the asymmetric size of the amalgamating municipalities in Sunnfjord. In the quartet, Førde constituted about 60% of the collective population while the remaining 40% was evenly distributed among Jølster, Gaular and Naustdal (SSB 2022a).

I made a deliberate selection of one sitting leader and one opposition leader from each municipality, totalling eight informants. This was done to obtain different perspectives from each municipality. Relaxed one-to-one conversations were held with each informant following an interview guide without losing the flexibility to adapt to the individual nature of each interview. This generated approximately eight hours of recorded interview data which I transcribed and analysed from both the perspective of the rational choice theories of hoarding and the logic of appropriateness.

I find that the informants legitimised the decision of whether to hoard in three main ways. First, Førde's goal was to complete an amalgamation with which all participants were happy. To achieve this, they saw hoarding among the smaller municipalities as a price to pay, and did not oppose it. Informants from the smaller municipalities explained the importance of Førde's "generosity" for the amalgamation process. So, as in Bråstein (2018), I find that there existed an understanding that some hoarding among the smaller municipalities was acceptable.

Second, Jølster, Gaular and Naustdal legitimised hoarding as a way to secure the long-term, local provision of core services for their citizenry while they still had autonomy to do so. A sports hall built in Gaular, health and education investments in Jølster, and the attempted construction of a health centre in Naustdal were explained as measures to secure the long-term local presence of quality services which would in turn be important for future settlement. This is in line with the empirical results of Bråstein (2018) and Borge and Tovmo (2020). Theoretically, this type of strategic hoarding is also well-anchored. See Saarimaa and Tukiainen (2015) and Askim et al. (2020). I refer to this as strategic hoarding.

Third, some informants also explained hoarding as the result of the opportunity to internalize benefits of increased spending while sharing costs with the new municipality, closely matching the predictions of the law of $1/n$ (Weingast, Shepsle and Johnsen 1981). This seems to have been a particularly important driver of hoarding in Jølster. The informants described agreement in the municipal council to invest as much as possible ahead of amalgamation, particularly in two indoor sports facilities. I refer to this as opportunistic hoarding.

Additionally, the interviews revealed two particularly interesting explanations of hoarding which I believe have potential for future research. First, the sitting leader from Førde insisted on the importance of perpetuating their cooperative, non-partisan institutional culture in the new municipality. Furthermore, both informants from Førde cited cultural differences between the amalgamating municipalities as a complicating factor. This is backed by evidence from the private sector which suggests that cultural incompatibility is one of the primary causes of failed corporate mergers (Engert, et al. 2019). Although these results are not directly transferable to the public sector, I believe it is reasonable to assume that future research into the effects of cultural differences between amalgamating municipalities on hoarding and other outcomes would be fruitful.

Second, the informants from Jølster describe a high degree of internal polarisation between the western and eastern regions of the municipality. This contributed to the decision to build two sports halls, one in the west and one in the east. Gaular's informants also spoke of internal polarisation over the decision of whether to build a sports hall or renovate a school. These findings indicate that the theoretical representation of municipalities as uniform entities with unambiguous preferences is an over-simplification. Instead, complete theories of hoarding should consider internal friction as a potential determining factor.

In conclusion, I find that the municipal leadership in Sunnfjord explained hoarding as the result of collective understanding, desire to ensure the long-term local provision of services, and the opportunity to exploit the common pool. Additionally, my findings suggest that the inclusion of cultural heterogeneity between municipalities and polarisation within them could contribute to the existing theories of hoarding. My thesis is organised in seven chapters. First, the theories of hoarding are summarised. Second, the relevant empirical literature is reviewed. Third, I provide contextual information about the Norwegian local government reform and the municipalities in Sunnfjord. Next, I go through my methodology, followed by the presentation of my empirical findings. The sixth chapter includes my analysis and the seventh chapter concludes.

Chapter 2 – Theoretical framework

Studies of hoarding in municipal amalgamations commonly rely on rational choice theories describing the unavoidable depletion of common pool resources due to uncoordinated exploitation by individually rational agents. The impending loss of political power experienced by local politicians in amalgamations is also used to explain the flurries of increased spending associated with hoarding. A characteristic of these theories is that their simplifying assumptions represent municipalities as units of well-defined, rational agency. The benefit of these simplifications is that they produce unambiguous, quantitatively testable hypotheses related to the difference in spending between amalgamating and-non amalgamating municipalities. On the other hand, these simplifying assumptions ignore the complexity of institutions. Municipalities consist of politicians with different views and administrators with varying influence. Over time they build an institutional culture and historical precedent which informs their decision-making. These factors can modify hoarding behaviour to the extent that the rational choice models become over-simplifications with weak explanatory power. Theories which address these problems look at institutional decision-making as the result of human interactions in institutions whose culture and history affect which actions are seen as appropriate. In this chapter, I will first summarise the rational choice theories of hoarding due to their prevalence in the empirical literature on the topic. Second, I introduce the institutional theory known as the logic of appropriateness because it allows for deeper explanations of the behaviours revealed in my case-study. Finally, I discuss whether the logic of appropriateness is fundamentally different from the logic of consequence on which the rational choice theories are built.

Rational choice theories

In their paper titled *How Government Agencies React to Termination Threats*, Askim et al. (2020, 325) define hoarding in the context of municipal amalgamations as «municipal spending beyond that which would otherwise be the case, greater spending driven by the expectation that municipalities can keep benefits for their present citizenry while sharing costs with others in the amalgamated entity.» This definition applies the theory of common pool resources and common pool problems to the concept of hoarding. A common pool resource is defined as a finite resource for which it is difficult to exclude users (Olson (1965, 14); Ostrom (2008)). For example, a forest can be considered as a common pool resource because it contains a finite

number of trees and it is difficult to prevent people from harvesting them. If the users of a common pool resource act in their own self-interest, the individual user captures the full benefit of his use while sharing the resulting cost of depletion with the rest of the users. As a consequence, Hardin (1968) argues common pool resources are doomed to be depleted, an idea which is known as the tragedy of the commons. Ostrom (2008), on the other hand argues that the tragedy can be avoided by enabling local, long-term users of the common pool resource to collectively regulate and monitor its use with quick access to cheap conflict resolution mechanisms and with minimal external government involvement. While there may be disagreement on the inevitability of the depletion of a common pool resource, the fact remains that common pool resources generate a resource management problem. Indeed, a situation where the «costs of an activity which benefits a small group are shared with a larger group», is defined as a common pool problem by Askim et al. (2020, 327).

Having defined common pool resources and established how they create common pool problems, the next step is to understand how these terms connect to municipal amalgamations. When the amalgamation of a group of municipalities is announced, a significant period of time can pass before the amalgamation is executed and they become a legal entity. The territorial reforms of Sweden in 1952 and 1969, Denmark in 2007, Finland in 2009 and Norway in 2019 all had periods of at least one year preceding the completion of the amalgamations in which municipalities either knew or could reasonably expect amalgamation (Askim, Houlberg and Klausen (2021); Blom-Hansen (2010); Jordahl and Liang (2010); Saarimaa and Tukiainen (2015)). If the amalgamating municipalities remain autonomous during this delay, they can capture the whole benefit of increased local spending while sharing the cost with the amalgamated municipality. In effect, the collective spending power of the amalgamating municipalities becomes a common pool resource because it is finite and because it is difficult to prevent the autonomous municipalities from exploiting it by increasing their spending before the amalgamation. Consequently, a common pool problem arises where the knowledge or expectation of a future amalgamation incentivises each municipality to spend more than they would have otherwise, i.e. to hoard before the amalgamation is completed. This theoretical explanation of hoarding as a result of a common pool problem created by the delay between announcements and completions of municipal amalgamations is prevalent in the empirical studies of hoarding. See Jordahl and Liang (2010); Blom-Hansen (2010); Saarimaa & Tukiainen (2015); Askim, Houlberg and Klausen (2021); Hinnerich (2009); Askim et al. (2020); Hansen (2014).

Interestingly, the common pool theory of hoarding predicts that all amalgamating municipalities have incentive to hoard because they constitute less than 100% of the common pool of collective spending power. Consequently, they internalise all the benefit of increased local spending for less than 100% of the cost. However, the theory does not consider what determines the strength of the incentive to hoard. It does not allow us to explain why some municipalities might hoard more or less than others. Weingast, Shepsle and Johnsen (1981) develop a theory which is applicable to this question. Their model describes a constituency consisting of n identical districts with elected officials seeking re-election. The districts use the collective tax revenue of the constituency to fund local projects. This creates a situation where the districts get the full benefit of any local investments they make while they only bear a fraction of the investment cost equal to their share of the tax revenue, $1/n$. A corollary to their model named *the law of 1/n* states: «If district tax share is a declining function of the number of districts (n), then the degree of inefficiency in project scale is an increasing function of the number of districts» (Weingast, Shepsle and Johnsen 1981, 654).

When applied to municipal amalgamations, the law of $1/n$ predicts that the smaller a municipality's share of the common pool of collective spending power, the stronger is its incentive to hoard before amalgamation. To illustrate this, consider an example where an amalgamation is announced between municipality A with spending power of 800 and municipality B with spending power of 200. The common pool of collective spending power then equals 1000, of which municipality A constitutes 80% and municipality B 20%. Municipality A can hoard in the knowledge that it gets all the benefit of increased spending while shifting 20% of the cost to municipality B. On the other hand, municipality B can hoard while shifting 80% of the cost to municipality A. As predicted by the law of $1/n$, we see that municipality B has a stronger incentive to hoard than municipality A because it constitutes a smaller share of the common pool. In practice, a municipality's share of the common pool can be measured by its share of the amalgamated taxbase as in Saarimaa and Tukiainen (2015), its share of the amalgamated population as in Jordahl and Liang (2010) or simply by the inverse of the number of amalgamating municipalities as in Hansen (Hansen 2014).

While the law of $1/n$ predicts that the relative size of a municipality determines hoarding, there is also theory which suggests that absolute size might be important. In his seminal book titled *The Logic of Collective Action*, Olson (1965) develops a theory of how groups operate. Starting from the assumption that groups are composed of self-interested individuals, he concludes that

as the group grows, the per capita benefit of membership falls, thereby reducing each member's incentive to engage in collective action, which in turn weakens the group's ability to act in its own interest. In other words, smaller groups are likely to be able to organise more effectively than bigger groups. Because of this asymmetry in favour of small groups, Olson argues that «there is a systematic tendency of “exploitation” of the great by the small» (1965, 29). Applying this theory to hoarding, one would expect a smaller municipality with fewer council members, administrators etc. to be able to execute hoarding more easily than a bigger municipality. Even if two municipalities are of equal relative size in their respective common pools and therefore have the same incentive to hoard according to the law of $1/n$, the municipality which is smaller in absolute terms is expected to hoard more.

Saarimaa and Tukiainen (2015) propose two alternative explanations of hoarding which are not related to common pool problems. First, they argue that relatively small municipalities are likely to lose most of their political power after the amalgamation. This may motivate their politicians to increase spending while they still can regardless of whether the costs can be shared with the common pool or not. Their second argument is that an amalgamation can be a net benefit for some participants and a net loss for others. If there is a net benefit on the whole, the winners may buy the losers' approval by letting them hoard to compensate for their loss.

To summarise, the delay between the announcements and completions of amalgamations create a common pool problem where the amalgamating municipalities are incentivised to exploit the common pool resource which is their collective spending power by hoarding before the completion of the amalgamation. The law of $1/n$ formulated by Weingast, Shepsle and Johnsen (1981) predicts that a municipality's incentive to hoard is inversely related to its share of the common pool. Then, applying Olson's theory of collective action (1965) suggests that municipalities which are smaller in absolute terms are more likely to be able to organise hoarding. Essentially, the theories predict that relative and absolute municipal size drive hoarding.

Since municipal size is an easily quantifiable variable, it is perhaps not surprising that these theories are so prevalent in the quantitative research on hoarding. Although several studies find statistically significant relationships between municipal spending and size, the explanatory power of the models can be quite weak. When modelling investments, cash balances and budget overruns, R-squared values are less than 10% in Saarimaa and Tukiainen (2015),

Askim, Houlberg and Klausen (2021) and Askim et al. (2020). The low explanatory power may be due to high variance in time-series of municipal spending, but it could also be caused by omitted variables, perhaps less quantifiable, which cause change in municipal spending and explain at least some of the remaining variance. These could be factors like institutional culture and norms, sense of regional identity, internal polarisation and the historical relationships with neighbouring municipalities. For a deeper explanation of hoarding it may therefore be necessary to depart from the rational choice models suited for quantitative analysis in favour of theories which describe institutional decision-making as more complex processes. *The Logic of Appropriateness* is such a theory.

The logic of appropriateness

The logic of appropriateness is a theory of institutional behaviour developed by James G. March and Johan P. Olsen. The core concept is that institutional actors follow «internalised prescriptions of what is socially defined as normal, true, right or good, without, or in spite of calculation of consequences and expected utility» (March and Olsen 2004, 3). In other words, members of institutions will seek to behave in accordance with what they believe to be appropriate. Appropriate rules of behaviour are derived by matching situations, identities and rules. This matching process consists of answering three questions (Christensen and Lægreid 2021, 182):

1. What kind of situation am I facing? (Situation)
2. What kind of actor am I? (Identity)
3. What are my institution and I expected to do in a situation like this? (Rule)

Christensen and Lægreid (2021, 182-183) discuss four ways in which this matching process can be approached. Firstly, institutions can learn from experience by comparing the situation at hand with previously faced situations and apply the same rules of behaviour as they did in the past. Secondly, some cultural norms and values are held in higher regard than others and when a situation occurs within the scope of these values then it is automatically and intuitively seen as appropriate to act in accordance with them. This is referred to as categorisation. Thirdly, there may be a bias in favour of recently used identities and rules in the matching process to save time and resources. Finally, the experiences accrued in similar situations by other institutions seen as worthy of imitation can be used to determine appropriate action.

Because the matching process is presented as a “check-list” of questions to be answered, it can be easy to make the mistake of thinking that the path from situations, identities and rules to action is a straight-forward one. There are nuances and complexities in the details of how matching occurs which can lead to different actions. Situations can occur where more than one rule can be seen as appropriate. In the face of such ambiguity, actors must apply criteria which rank the appropriate rules. Which criteria is used will depend on the conversations which occur between participants within the institutions (March and Olsen 2004, 9). An important observation here is that an institution’s matching process is path dependent. The institution’s historical trajectory affects its criteria for assessment of new situations and thereby affects its future trajectory. This means that two institutions facing the same situation may have different answers to what appropriate action is (Christensen and Lægreid 2021, 182). Consequently, «it is a non-trivial task to predict behaviour from knowledge about roles, identities, rules, situations and institutions» (March and Olsen 2004, 8).

The case of municipal amalgamation becomes particularly interesting when the logic of appropriateness is applied to it. Amalgamations are not regular occurrences, so there is likely to be an absence of historical points of reference in the matching process. Additionally, amalgamations represent agency termination for many of the decision-makers (Askim et al. 2020). This is by definition a situation which they have never encountered. Consequently, the matching process of autonomous municipalities in the process of being amalgamated is likely to produce ambiguous identities and rules, leading to different conclusions about appropriate action when faced with the opportunity to hoard. As opposed to the rational choice theories presented earlier, the logic of appropriateness allows for a more nuanced understanding of the individual municipality’s decisions about hoarding. Given the importance of detailed information about case-specific variables which can be difficult to quantify, the logic of appropriateness likely suits qualitative case-studies better than more general quantitative studies. However, Christensen and Lægreid (2021, 195) warn that although action may be taken based on a logic of appropriateness, it can still be justified based on a logic of consequence after the fact. This is important to keep in mind when applying the logic of appropriateness to qualitative data from interviews, questionnaires etc.

The logics of appropriateness and consequence

The logic of appropriateness is often contrasted with the logic of consequence. In the latter, rules are seen as options in a rational choice problem. March and Olsen (2004, 5) describe the matching process according to the logic of consequence as follows:

1. What are my alternatives?
2. What are my values?
3. What are the consequences of my alternatives for my values?

The alternative which maximises the value is then chosen. The main difference between the two logics is that the logic of appropriateness takes more factors into consideration, while the logic of consequence simplifies the decision by constraining it to a set of alternatives with formal criteria of evaluation (Christensen and Læg Reid 2021, 184). In this sense, the logic of consequence is more easily reconciled with the rational choice theories in which agents acting in their well-defined self-interest opt to hoard because it maximises their value.

Whether the logics of appropriateness and consequence are fundamentally different is debated. Some subsume one logic as a special case of the other. For example, one can argue that the actions taken following a logic of consequence are simply one path in the set of possible paths proposed by a logic of appropriateness. In this case, the logic of consequence is seen as a subset of the logic of appropriateness. Similarly, one can adapt the utility function of a rational agent to explain more complex behaviour, in which case the logic of appropriateness is a subset of the logic of consequence. In either case, the two logics are seen as one (Christensen and Læg Reid 2021). On the other hand, March and Olsen (2004) see the logics as distinct. Instead of interpreting one as a subset of another, they consider them as complementary logics where one is sometimes preferred over the other depending on circumstances. For instance, they argue that decision-makers will tend to prefer the logic which is most clear given the situation they are facing (March and Olsen 2004).

In this debate, I agree with March and Olsen (2004) in that the logics are distinct and complimentary. In the logic of consequence, one starts with a set of alternatives and evaluates them according to a well-defined decision-rule. In the logic of appropriateness, the set of alternatives and the decision-rule are endogenous to the matching process. To me, this makes

the logics distinct. Still, it does not imply that logics of appropriateness and consequence cannot be used simultaneously. The more variables and trade-offs to consider in a situation, the more difficult it is to have a well-defined decision-rule. Consequently, a logic of appropriateness may be used initially to define an appropriate guiding rule in response to a complex situation, such as: «we can hoard enough to ensure the long-term local provision of core services, but no more». This macro-rule then generates the new situation of deciding how to best allocate the increased spending. In this reduced situation, well-defined decision-rules may exist, and a logic of consequence can be applied through, for example, cost-benefit analysis. As this example illustrates, the logics of appropriateness and consequence are distinct but not necessarily in conflict. On the contrary, they may well be complimentary as March and Olsen (2004) argue. Consequently, I believe it is necessary to apply both perspectives when analysing complex situations such as municipal amalgamations. In my view it is likely that both logics are applied by decision-makers in such situations, and therefore I see no contradiction or conflict in applying both perspectives in this thesis.

This concludes my review of the most prominent theoretical explanations of hoarding. In the next chapter, I review the empirical research on hoarding.

Chapter 3: Review of empirical research

Having introduced theoretical literature which can be applied to hoarding, this chapter aims to summarise the relevant empirical research on the effects of municipal amalgamations. The review is organised by country and includes results from the amalgamations in Denmark, Sweden, Finland, and Norway. Next, some potentially underexplored questions in the research on hoarding are presented. Finally, I discuss preliminary expectations of what I might find in my data based on the theoretical and empirical work.

Empirical results from the Danish reform of 2007

Hansen (2014) tests the law of $1/n$ (Weingast, Shepsle and Johnsen 1981) on the Danish reform of 2007. Applying a difference-in-difference methodology on data of municipal expenditures from 1996 to 2006, he finds positive, statistically, and economically significant effects of amalgamation and relative size on municipal expenditure. He measures a municipality's relative size as the inverse of the number of amalgamating municipalities, $1/n$.

Blom-Hansen (2010) conducts a similar study to Hansen (2014), but measures relative size as a municipality's share of the amalgamating population. He finds that participation in an amalgamation does increase spending, but not by as much as many feared. When discussing the reasons for the unexpectedly weak overspending, he mentions the fiscal restrictions imposed by the Danish government and argues that local politicians may have acted more responsibly than predicted by the common pool logic. Furthermore, in contrast to Hansen (2014), Blom-Hansen (2010) finds no effect of relative size on spending.

In summary, the empirical evidence of hoarding in the Danish amalgamations is mixed. Hansen (2014) and Blom-Hansen (2010) both find that participation in an amalgamation causes increased spending, but they disagree on whether the extent of hoarding is related to the relative size of municipalities, as predicted by the law of $1/n$ (Weingast, Shepsle and Johnsen 1981).

Research on the effects of the Danish amalgamations on other outcomes than hoarding has yielded interesting results as well. Lassen & Serritzlew (2011) use the substantial change in population size caused by the reform as a quasi-experiment to measure the causal effect of population size on internal political efficacy. They find that the population increase associated

with amalgamation has a significant detrimental effect on citizens' ability to understand local politics.

Empirical results from the Swedish reforms of 1952 and 1969

Jordahl and Liang (2010) study whether municipalities which amalgamated in the Swedish reform of 1952 increased their debt more than those who did not, and whether the relatively small, amalgamated municipalities increased their debt more than the relatively big, amalgamated municipalities. Like Blom-Hansen (2010), they find significant effects for the participation in an amalgamation, but not for relative size, thereby casting doubt over the validity of the law of $1/n$ (Weingast, Shepsle and Johnsen 1981).

Sweden also had a reform in 1969 on which Hinnerich (2009) conducted a similar study to Jordahl and Liang (2010). Once again, he finds that participation in an amalgamation causes statistically significant increases in municipal debt. In contrast to Jordahl and Liang (2010), he also finds significant evidence that relative size is inversely related to debt accumulation, which supports the law of $1/n$ (Weingast, Shepsle and Johnsen 1981).

As in the case of the Danish reform, the empirical results for the Swedish reforms are mixed. Jordahl and Liang (2010) find that relative size does not drive hoarding while Hinnerich (2009) finds that it does. Their results are not in direct conflict since Jordahl and Liang (2010) study the reform of 1952 and Hinnerich (2009) studies that of 1969. However, the mixed conclusions on whether relative size drives hoarding conflict with the law of $1/n$ (Weingast, Shepsle and Johnsen 1981), which unambiguously predicts a causal, inverse relationship between relative size and hoarding.

Empirical results from the Finnish reform

The Finnish reform of 2009 has been comprehensively studied by Saarimaa, Tukiainen and Harjunen. In their paper titled *Common Pool Problems in Voluntary Municipal Mergers*, Saarimaa and Tukiainen (2015) use a difference-in-difference strategy to determine whether a municipality's participation in an amalgamation and its relative size in the amalgamation affect debt and cash reserves. They find that amalgamation and relative size cause increase in debt and reduction of cash reserves, which is consistent with the common pool and law of $1/n$ explanations of hoarding.

Saarimaa and Tukiainen (2016) also study the effects of the Finnish municipal amalgamations on voter preferences. They find that citizens in amalgamated municipalities strategically concentrate their votes towards a few local candidates to maximise local representation in the new municipality. This concentration effect is stronger the smaller the pre-amalgamation municipality is relative to the new one and the further it lies geographically from the centre of the new municipality. These results show that voters prefer local representation and are relevant to the Norwegian case because Finland has a similar open-list proportional representation system to Norway in local elections.

Finally, Saarimaa, Tukiainen and Harjunen (2021) use data on the location of public sector jobs and local politicians' residence to study the relationship between local representation and local services post-amalgamation. They find that «small and politically marginalised municipalities experienced a substantial reduction in local public jobs in administration and health and social care services relative to the municipalities with stronger representation» (Saarimaa, Tukiainen and Harjunen 2021, 1). This suggests that amalgamations can have asymmetric effects on the quality of local services to the disfavour of small and politically marginalised municipalities.

Empirical results from the Norwegian reform

Despite the relative recency of the Norwegian reform, it has already generated some research. Askim et al. (2020) divide the Norwegian municipalities into six categories based on whether amalgamation was certain, potential, or certain not to happen, and whether the amalgamation was voluntary or forced. They find that spending increases with the likelihood of amalgamation and that forced amalgamations cause a greater increase in spending than voluntary ones. They only use data up to 2016, four years prior to the amalgamations, so their results show that local politicians react early to the threat of agency termination.

Askim, Houlberg and Klausen (2021) study whether hoarding is explicitly announced as increased spending in budgets or concealed as budget overruns. They find that hoarding is primarily concealed in budget overruns, especially in forced amalgamations.

Borge and Tovmo (2020) also find evidence of hoarding, with amalgamating municipalities increasing investment spending more than non-amalgamating municipalities. Interestingly,

they reveal that a substantial portion of the increased investment spending goes to primary school projects, suggesting a desire from amalgamating municipalities to influence the primary school structure of the future municipality.

In what is essentially a replication of Saarimaa and Tukiainen (2015) on Norwegian data, Sandvand (2021) reaches the same conclusions. Amalgamating municipalities hoard and the degree of hoarding is inversely related to relative size, suggesting that the law of $1/n$ applies to the Norwegian reform.

Finally, Bråstein (2018) conducts what is to my knowledge the only qualitative study on hoarding in municipal amalgamations. The purpose of her thesis is to determine why and how hoarding occurred in the Lindesnes amalgamation by applying the logic of appropriateness to interviews and document data. She finds that a common understanding for hoarding emerged. It was acceptable for the smaller municipalities to hoard to ensure the interests of citizens who would be in the periphery of the new municipality. However, this understanding was conditional on the increased investments not causing permanent increases in operational cost. She finds four main motivations for hoarding: to give back to the local citizenry, to facilitate the amalgamation process, to prevent future centralisation and to exploit the opportunity before it is too late. Bråstein's results are interesting because they cast a new light on why hoarding occurs. Where the traditional rational-choice theories describe hoarding as a result of individual municipalities acting in their own self-interest, Bråstein shows that hoarding can also emerge from an understanding between the amalgamating municipalities in which only a sustainable amount is hoarded.

Underexplored topics in the empirical literature

From the ten studies of hoarding introduced above, nine use quantitative methods to test rational choice theories of hoarding (Askim et al. (2020); Askim, Houlberg and Klausen (2021); Borge and Tovmo (2020); Blom-Hansen (2010); Hansen (2014); Hinnerich (2009); Jordahl and Liang (2010); Saarimaa and Tukiainen (2015); Sandvand (2021)). Among these nine, all except Blom-Hansen (2010) find that amalgamations cause hoarding. In other words, the empirical evidence clearly indicates that amalgamation is associated with hoarding. Evidently, rational choice theories and quantitative methods dominate the literature. Bråstein (2018) is to my knowledge the only study which applies qualitative methods and institutional theory to the

topic. The existing literature has concentrated on determining whether amalgamating municipalities spend more than non-amalgamating municipalities but tells us little of the decision-making process underlying this behaviour. Why do some amalgamating municipalities opt to hoard while others do not? How is hoarding legitimised by decision-makers? Questions such as these are left largely unanswered by the existing literature. The purpose of my thesis is to contribute to this underexplored facet of hoarding. Through interviews with a selection of key informants from the Sunnfjord amalgamation, I aim to better understand how the decision of whether to hoard is explained.

Preliminary assumptions

Having summarised the relevant theoretical and empirical literature, it is important to discuss what it suggests for the findings of my study. Firstly, the empirical evidence in support of rational choice models of hoarding is strong, also in Norway (Askim et al. (2020); Borge and Tovmo (2020); Sandvand (2021)). For instance, hoarding has been acknowledged in the Sunnfjord amalgamation. I believe it likely that this hoarding will be motivated by exploitation of the common pool, a fear of being marginalised post-amalgamation and the imminence of agency termination. Following Saarimaa and Tukiainen (2015) and Bråstein (2018), I am also eager to find whether there is evidence of deal-making whereby the winner(s) of the amalgamation “buy” the approval of the loser(s) by not opposing their hoarding. Furthermore, Borge and Tovmo’s (2020) findings that schools were an important recipient of increased investment is particularly interesting. I believe it suggests that hoarding is partially motivated by the desire to ensure long-term, local provision of essential services, and I expect to find examples of this.

I am, however, cautious about my ability to predict findings. As March and Olsen (2004, 8) state, «it is a non-trivial task to predict behaviour from knowledge about roles, identities, rules, situations and institutions». Therefore, I believe it is prudent to expect unexpected results from my study. In some ways, these are the most interesting findings because they contribute to the existing knowledge. In particular, I am eager to discover how institutional culture, past experience and internal and external conditions affect how municipalities approach hoarding.

Having reviewed the theoretical and empirical research on hoarding, the next chapter provides contextual information about the Norwegian local government reform and introduces the case study of this thesis, the Sunnfjord municipality.

Chapter 4 – Context

To understand the context in which the Norwegian local government reform took place, its historical background needs to be addressed. First, I address the issues which gave rise to the reform. Second, a review of the local government reform process is presented. I then present some important details about the reform which affected the feasibility of hoarding. Next, I review some of the criticism directed at the Norwegian reform process. Finally, this thesis' case study, the Sunnfjord amalgamation, is introduced.

The increasing responsibilities of Norwegian municipalities

Norway is a unitary state with three levels of government: 1) the central government, 2) the county authorities, and 3) the municipalities. As a unitary state, the municipalities' powers are derived from the state and the exercise of self-government takes place within a national framework (Jacobsen 2020, 186). At the same time, the Local Government Act makes it clear that all Norwegian municipalities are independent legal entities (KS 2018). This means that the municipalities can «make independent choices and decisions, and all restrictions that national authorities may intend to impose on the municipalities must be based in law» (Jacobsen 2020, 187, my translation¹). As Jacobsen (2020, 187-182, my translation²) writes, the municipalities therefore have a twofold position in the Norwegian political system:

On the one hand, everything the municipalities do is derived from state power. The Parliament – the legislative and approving power – defines what the municipalities should do (...). In legal terms, we say that the municipalities' authority is *negatively limited*, which is to say that they are free to *take on* tasks which are not defined by the state, but that they *must* carry out tasks which are explicitly defined by the state. In this way, the municipalities are an integral part of the Norwegian nation state. On the other hand, the municipalities also have a legally guaranteed freedom, both in that they are to be regarded as independent legal entities, that they are governed by bodies which are directly elected and thus not designated by the state level (...), and that they have independent revenues and thus a separate economy. This gives them both a legal, a democratic and an economic freedom from the state.

Therefore, even though Norway is a unitary state, the municipalities have a great deal of responsibilities and local democracy is strong. In other words, Norwegian municipalities are

an essential part of the political system and are responsible for the provision of numerous important welfare services through their statutory tasks. To illustrate, they are responsible for services such as health, care and social services, school and kindergarten, and technical services i.e., transport, water, sewage, property management (Jacobsen 2020, 65). In consequence, the municipalities manage a significant portion of public spending. As Jacobsen (2020, 62, my translation³) writes, «what takes place in Norwegian municipalities is of great importance to the individual inhabitant». In terms of revenue, Norwegian municipalities have three main groups:

1. Free income
2. Municipal fees
3. Earmarked grants

Free income can be used without governmental guidance or restrictions and are made up of tax revenues and state grants. It is therefore up to the individual municipalities how to distribute the free income as it is not directly linked to any predetermined purposes (Jacobsen 2020, 73). Municipal fees, on the other hand, are used to cover the cost of the services from which they are derived, while earmarked grants are used for selected tasks appointed by the government (Jacobsen 2020, 71-72).

The municipalities' responsibilities have also increased following the preceding local government reform of the 1960s (Kommunal- og moderniseringsdepartementet 2015, 6). During the same time, the number of Norwegian municipalities have remained stable. In addition, all municipalities are generalist municipalities, which means that they share the same set of responsibilities. As follows, they must all offer equal services of equal quality regardless of differences in size, population, and demography (Jacobsen 2020, 62). This is known as the Generalist Municipal Principle. To efficiently comply with the Generalist Municipal Principle, many municipalities partner with their neighbours in intermunicipal cooperation in the aim of generating economics of scale and sharing expertise (Regjeringen 2020a). In other words, municipalities partner together to «solve a task or produce and provide a service» (Jacobsen 2020, 82, my translation⁴). For instance, neighbouring municipalities can coordinate waste collection services to minimise the total cost per capita.

Although intermunicipal cooperation is not a new arrangement, the use of it gained attention during the local government reform (Jacobsen 2020, 82). The Solberg government considered

it problematic that the level of municipal responsibility was increasing while the number of municipalities were stable. According to the government, the increasing use of intermunicipal cooperation weakened local democracy:

In the last fifty years, the municipalities have been given many new tasks. At the same time, the responsibility for many tasks has been shifted from elected bodies to intermunicipal cooperation. In the Ministry's view, an extensive municipal cooperation weakens local democracy. When important decisions are moved from elected bodies to intermunicipal cooperation, it can consequently lead to a more complex administration and it weakens the elected governance and operational control. (Kommunal- og moderniseringsdepartementet 2014, 40, my translation⁵)

On top of this, the government expressed concern over the short and long-term challenges posed by population trends, centralisation, and non-conformity between the administrative and functional divisions (Kommunal- og moderniseringsdepartementet 2014, 24-26). In sum then, the Solberg government considered it problematic that the level of municipal responsibility was increasing while the number of municipalities were stable. These concerns served as the background when the government initiated the local government reform in 2014. In the next section, the process of the local government reform will be explained.

The municipal reform

After winning a collective majority in the Norwegian parliamentary elections in September 2013, the Conservative Party and the Progress Party entered negotiations to form a coalition government. The result of these negotiations was a political platform known as the Sundvolden platform, which was announced in October 2013. In the platform, the government announced their intentions to implement a «comprehensive municipal reform» (Statsministerens kontor 2013). From the onset of the reform, the Generalist Municipal Principle was at the core of the government's priorities:

The Generalist Municipal Principle is a starting point for the reform. As a general principle, the reform should lay the groundwork for all municipalities to fulfil their statutory tasks themselves. The municipal structure shall facilitate uniform and transparent management (Kommunal- og moderniseringsdepartementet 2014, 29, my translation⁶).

Accordingly, a main aim of the reform was to ensure that all municipalities could sufficiently cope with their tasks as generalist municipalities and in January 2014, an Expert Committee was appointed by the government to 1) examine the basis for reform and, 2) propose important criteria necessary for the municipalities to comply with their responsibilities (Regjeringen 2014a). The appointment of the Expert Committee was a key aspect of the government's reform program and, following the Generalist Municipal Principle, the committee looked at four roles shared by Norwegian municipalities:

1. Service providers
2. Democratic arenas
3. Community developers
4. Public authorities

Consequently, the four abovementioned roles served as the basis from which the criteria for good municipal structure were to be established.

The first of two interim reports were delivered by the committee in March 2014. In the report, the Expert Committee recommended a significant reduction in the number of Norwegian municipalities to ensure their ability to safeguard their responsibilities. More specifically, the committee suggested a minimum population of 15 000 to 20 000 inhabitants per municipality (Ekspertutvalget 2014, 129). To illustrate, more than half of Norwegian municipalities at the time of the reports' publication had less than 5 000 inhabitants (SSB 2022a). The reform work began shortly after the first report was published when Parliament was presented with the Local Government Paper for 2015. The paper was presented by the Minister of Local Government and Regional Development as a welfare which would also strengthen local democracy. In this fashion, the Local Government Paper formulated four reform objectives:

1. Good, equal services for inhabitants, today and in the future
2. Comprehensive and coordinated community development, in both larger and smaller municipalities
3. Sustainable and financially solid municipalities
4. Strengthen local democracy, and give the municipalities more power
(KS 2020)

Once the Local Government Paper had been passed, the Ministry of Local Government and Regional Development started working on the reform on behalf of the Solberg government in June 2014. County governors were tasked with initiating the process in their jurisdictions and gave the municipalities two years to clarify the amalgamations. This meant that all clarifications must be completed during the summer of 2016. In this period, the municipalities were obliged to 1) discuss amalgamation, 2) engage in dialogues with neighbouring municipalities, and 3) decide on whether to amalgamate (Jacobsen 2020, 25). The county governors were further tasked with a requirement to prepare an individual assessment for their regions (Jacobsen 2020, 25). From the Local Government Paper, it was clear that voluntary amalgamations were the principle. There was, however, one exception where parliament could amalgamate against the will of the municipalities, which was in cases where «individual municipalities wished to stop changes which were appropriate based on regional and national considerations» (Jacobsen 2020, 23, my translation⁷).

The clarifications' scope, form and duration varied greatly between the municipalities (Jacobsen 2020, 24). During the two-year period, however, most of the municipalities consulted their inhabitants through opinion polls or consultative referendums. In total, there were 170 opinion polls and a record-breaking 225 consultative referendums (Jacobsen 2020, 25). It is worth mentioning that neither local politicians nor the government had to adhere to the results of these as both opinion polls and referendums were consultative. After the two-year period came to an end and the amalgamations were decided, the County Governors defined their new municipal structures in the fall of 2016 (KS 2016). In the following spring, the Solberg government presented their concrete local government reform proposal, which was supported by Parliament in June 2017. Consequently, 109 municipalities amalgamated into 42 new ones from the 1st of January 2020. Moreover, eleven municipalities had already amalgamated into five municipalities earlier in the reform period. In total then, the local government reform led to a reduction of Norwegian municipalities from 428 to 356. Out of the total number of amalgamations, eight included at least one municipality which was involuntarily amalgamated (Jacobsen 2020, 26). Additionally, the number of Norwegian counties was reduced from 18 to eleven in the regional reform which took place simultaneously. See figure 1 below for timeline summarising the Norwegian local government reform process.

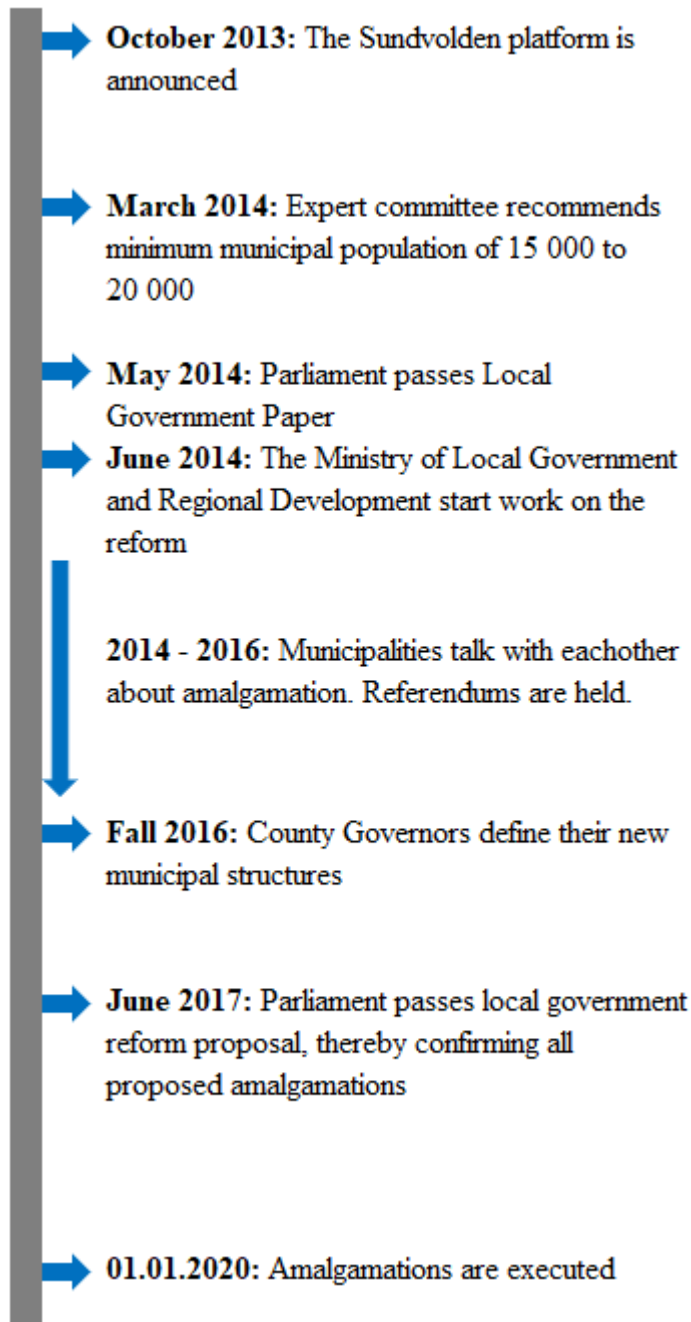


Figure 1: Timeline of the Norwegian local government reform process

The Window of Delay

As illustrated above in the review of the process regarding the local government reform, the reform process went on for years. While the local government reform was first initiated in 2014 and the amalgamations were clarified and approved in 2017, most municipalities did not amalgamate until the 1st of January 2020. Thus, there existed a period of three to six years where the municipalities remained autonomous while expecting a future amalgamation. One

could even argue that the expectations began already in 2013 after the Sundvolden platform was announced. Therefore, regardless of whether an amalgamation was clarified or not, Norwegian municipalities could have been expecting a possible amalgamation as early as in 2013. The expectations then became more and more certain as the details of the reform were clarified in the years between 2014 and 2017, after which the amalgamating municipalities knew their fate. Accordingly, whether municipalities adapted to a probable or certain future amalgamation, there was sufficient time to plan and execute hoarding if they chose to do so.

This issue seems to have been known as the Ministry of Local Government and Regional Development proposed a law which would allow the government to regulate municipal borrowing ahead of the amalgamation (Kommunal- og distriktsdepartementet 2014). The purpose of this proposal was to ensure that municipalities did not «implement unfortunate economic dispositions and strategic adjustments in advance of the municipal reform» (Kommunal- og distriktsdepartementet 2014, 1, my translation⁸) In the end, the proposal did not pass after it was criticised for weakening municipal autonomy and signalling a lack of trust in local government (Gjerde 2019).

The Register for Governmental Approval of Financial Obligations

Although the theoretical framework of the common pool problem and the law of 1/n predicts that all municipalities hoard in the lead up to an amalgamation, this assumes that the municipalities are autonomous. In Norway, this assumption does not always hold. The Register for Governmental Approval of Financial Obligations (ROBEK) is kept by the Ministry of Local Government and Regional Development. The registry contains Norwegian municipalities and counties who are in financial imbalance or have not ratified their economic plan, budget, or financial accounts in time (Regjeringen 2022). Municipalities and counties which are on ROBEK are essentially under state control. They cannot borrow, enter long-term lease agreements, or determine budgets without the approval of the ministry (Regjeringen 2020b). In consequence, a municipality cannot be considered autonomous while on the register. This means that hoarding, particularly debt-financed, may have been infeasible for municipalities who were on ROBEK for all or some of the years between 2014 and their amalgamation.

Criticism of the municipal reform

It is worth mentioning that the reform process was debated and amassed controversy. On the one hand, the need for municipal reform had wide support and was passed by a broad majority in Parliament. On the other hand, there was debate across political parties regarding the use of involuntary amalgamations. As previously mentioned, the preceding local government reform in Norway was in the 1960s. During this reform, the use of coercion in municipal amalgamations was more prevalent than in the local government reform of 2020. In 1995, however, the Centre Party put forward a proposal for voluntary municipal amalgamations: «Parliament asks the Government to assume that future changes in the municipal structure will not include municipalities where the municipal council, or the inhabitants in a referendum, have opposed municipal amalgamation» (Askim, Klausen and Vabo 2016, 26, my translation⁹). The proposal was adopted and became known as “the voluntary line”. It was, however, never legislated. This became important during the local government reform of 2020. Even though the decisions on whether to amalgamate initially lay with the municipalities, the Solberg government reintroduced involuntarily amalgamations through coercion. A total of eleven municipalities were involuntarily amalgamated (Mauren 2022).

Both the Labour Party and the Centre Party were against involuntary amalgamations and made promises to reverse these once in government (Sandvik (2017); Vestre (2016)). In 2021, the Labour Party and the Centre party formed a coalition government after the parliamentary elections. In the wake, they have allowed new referendums to be held in involuntarily amalgamated municipalities. For instance, Haram municipality’s referendum in March 2022 resulted in a 70% majority in favour of Haram becoming its own municipality again (Ålesund kommune 2022). On June 14th 2022, parliament voted in favour of Haram to separate from Ålesund on January 1st 2024, making it the first reversal of a coerced amalgamation (Kvalsvik, Thalberg og Vestre 2022).

Another criticism of the Norwegian local government reform is directed at the questionable independence of the Expert Committee which recommended amalgamations. As Jacobsen (2020, 21, my translation¹⁰) points out, the Expert Committee were constrained in their mandate:

Although the mandate stated that the committee on a “free basis” should develop criteria for good municipal structure, the mandate also contained a fairly clear definition

of what the problem was: many Norwegian municipalities were too small, and intermunicipal cooperation was not a good solution to this problem.

Finally, the consultative referendums which were held in more than 200 Norwegian municipalities have come under criticism. First, there was no national template provided and the ballots were not universally designed. In other words, the implementation of the referendums was up to each individual municipality (Sandvik and Vestre 2016). Second, examining 221 ballots, the Institute for Social Research found that their design was in several cases either imprecise and/or provided the voters with incomplete information (Bulai and Helljesen 2017). For almost a third of all referendums, it was also found to be «unclear which neighbouring municipalities the voters should take a position on amalgamating with» (Amundsen 2017, my translation¹¹). Furthermore, the researchers found that in some cases the ballot questions were leading, and in five cases the voters were unable to vote against amalgamation (Bulai and Helljesen 2017).

Having summarised the Norwegian municipal reform at the national level, the next section introduces the case study of this thesis, Sunnfjord municipality.

Sunnfjord municipality

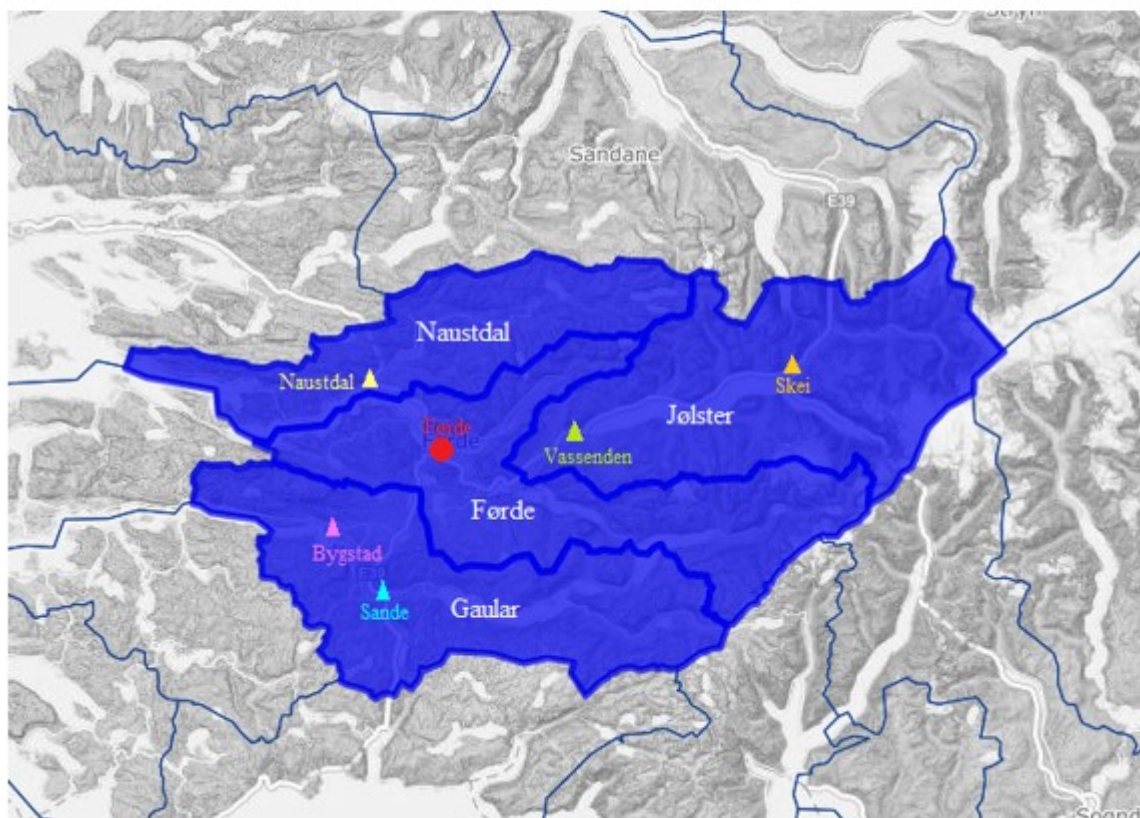
After the Local Government Paper was presented in 2014, preliminary talks about potential amalgamations began between the municipalities in the old county of Sogn og Fjordane, now part of the new county, Vestland. At most, a group of ten municipalities discussed amalgamation in 2015 (Sunnfjord kommune 2021). Ultimately, these talks fell through and in December 2017, Sunnfjord municipality was announced as the amalgamation of four municipalities: Førde, Jølster, Gaular and Naustdal. Sunnfjord municipality became a legal entity on the 1st of January 2020 (Forskrift om samanslåing av Førde kommune, Gaular kommune, Jølster kommune og Naustdal kommune til Sunnfjord kommune, paragraph 1, 2017).

In 2021, Sunnfjord municipality had a population of approximately 22 000 inhabitants, of which 60% lived in Førde and the remaining 40% were evenly distributed between the remaining three municipalities (SSB 2022a). Approximately 68% of Sunnfjord's inhabitants live in densely populated areas, most of which are in the municipality's sole city and its administrative centre, Førde (SSB 2022d). Besides Førde, the largest settlements are Skei,

Vassenden, Naustdal, Sande and Bygstad. See figure 2 below for a map of Sunnfjord municipality. In the next part of this chapter, I present the four abovementioned municipalities one by one to provide more detailed context. Finally, I present the main efforts of collective planning which took place between the four municipalities ahead of the amalgamation.

Figure 2
Map of Sunnfjord municipality

The figure shows a map of Sunnfjord Municipality including the pre-amalgamation municipal borders delineating Førde, Jølster, Gaular and Naustdal. Names of the old municipalities are shown in white. Names and locations of local population centres are indicated in colour. The map was obtained from (SSB 2022h), then modified.



Førde

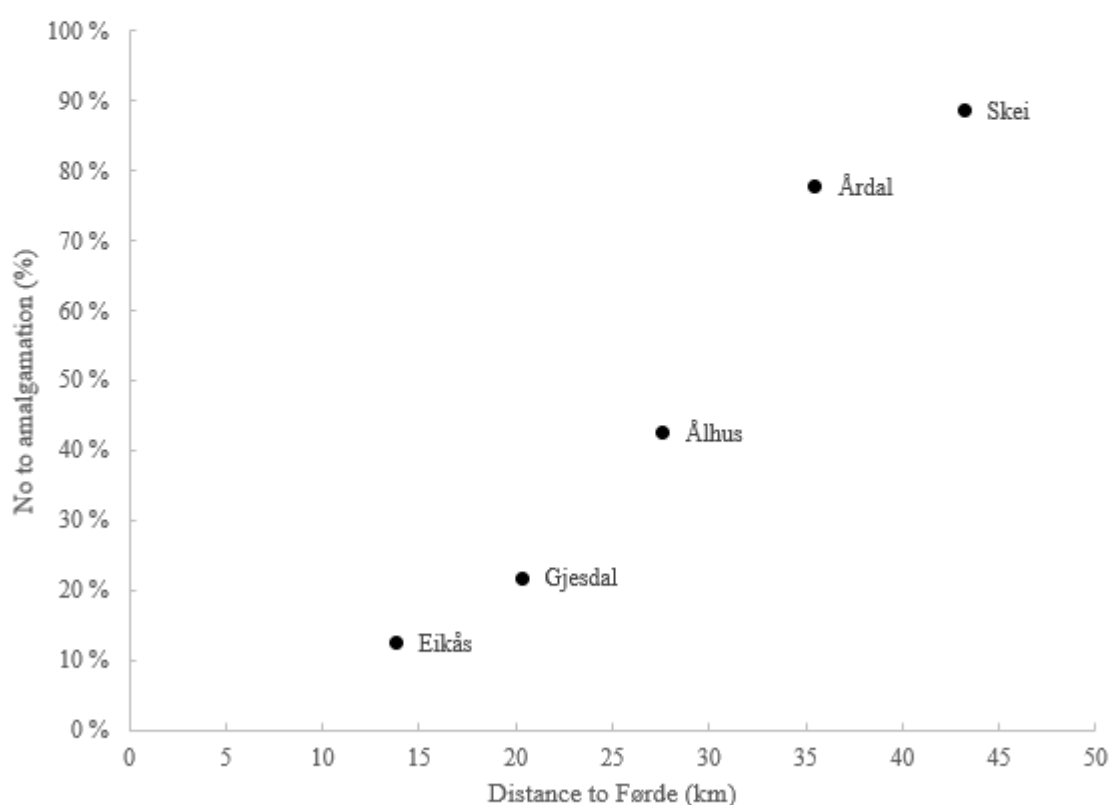
Førde municipality was by far the largest of the four amalgamating municipalities and the largest municipality in the old county of Sogn and Fjordane. In 2019, the municipality had a population of 13 092 inhabitants (SSB 2022a). Most of its settlement was concentrated in or near the city and administrative centre Førde. The municipality was a regional centre in the old county whose most important sectors were trade, services, and industry (Helleve 2018). To illustrate, 24% of people who worked in Førde lived in other municipalities in 2019 (SSB 2022e). Moreover, the municipality ranked eight among 422 municipalities for retail sales per capita in the same year, indicating that non-residents of Førde shop there frequently (SSB 2022f). As seen in figure 2, Førde municipality bordered all three of the municipalities it amalgamated with during the local government reform. In the period municipalities were given to clarify amalgamations, it was decided that Førde would not have a consultative referendum. This decision was based on the recommendation of the municipal director. Instead, an opinion survey was conducted which revealed a majority of 80% in favour of amalgamation (Løseth 2016).

Jølster

Jølster municipality bordered Førde municipality in the south, west and north, and Naustdal municipality in the northwest, as seen in figure 2. The municipality's most important industry was agriculture, but 18 hydroelectric power plants also generated significant income (Askheim and Thorsnæs 2020). In 2019, Jølster had a population of 3 047 inhabitants (SSB 2022a). Most of the settlement resided along the north side of Jølstervatnet – a 30-kilometer-long lake extending through the former municipality. Located at each end of the lake are two towns: 1) the old administrative centre Skei in the east with approximately 480 inhabitants, and 2) Vassenden in the west with approximately 330 inhabitants in 2021 (SSB 2022g). The geographical split manifested itself in local politics in Jølster municipality, as illustrated by the referendum results for the amalgamation in figure 3. In eastern parishes, more than 80% voted not to amalgamate while approximately 20% voted not to amalgamate in the western parishes (Guddal and Løset 2016). In sum, the consultative referendum in Jølster municipality resulted in a narrow 51% pro-amalgamation majority.

Figure 3
Polarised amalgamation preferences in Jølster

Parish-level referendum data from Jølster is combined with measurements of the distance from these parishes to the new municipal centre, Førde, in kilometers (km). The y-axis shows the percentage who voted against Jølster amalgamating in the referendum of 2016. The x-axis shows distance to Førde in km. The combination of voter preference and distance to Førde is plotted for each parish. Referendum data was obtained from (Guddal and Løset 2016). The distance data was generated in Google maps.



Gaular

Gaular municipality bordered Førde municipality in the north as seen in Figure 2. In 2019, the municipality had a population of 3 027 inhabitants (SSB 2022a). As a distinctly agricultural municipality, much of the population was scattered across the municipality. Settlement was, however, especially concentrated around the three following population centres: Sande,

Bygstad and Vikja (Helleve 2017). Out of these three, Sande was the administrative centre in the former municipality. In addition to agriculture, Gaular municipality was also a small power municipality at the time amalgamation with 8 hydroelectric power plants (Askheim and Thorsnæs 2020). In April 2016, Gaular held a consultative referendum regarding the amalgamation. The referendum resulted in a near 50/50 result. Approximately 52% voted pro-amalgamation with Førde, Jølster and Naustdal municipality, while approximately 48% voted against (Løset 2016).

Naustdal

Naustdal municipality bordered Førde municipality in the south and Jølster municipality in the east, as seen in Figure 2. In 2019, the municipality had a population of approximately 2 800 inhabitants, marginally making it the smallest of the four amalgamating municipalities (SSB 2022a). Settlement in the former municipality was generally scattered but densest around its administrative centre Naustdal (Helleve 2017). As with the other two smaller municipalities, Jølster and Gaular, Naustdal municipality's most important industry was agriculture. The municipality did, however, also have quarries for eclogite and rutile within its old borders. At the time of the municipal reform, these quarries were not extracted and the development of an underwater deposit in Førdefjorden became a heated topic both locally and nationally during and after the reform process (Svanes, Heggen and Grimeland 2022). While agriculture was the municipality's primary industry, most of its employed population were working in other municipalities. To illustrate, approximately 60% of Naustdal municipality's employed population commuted to other municipalities for work, primarily to their neighbouring municipality Førde (Askheim and Thorsnæs 2020). As with Jølster and Gaular municipality, Naustdal municipality also held their consultative referendum in April 2016. The referendum resulted in approximately 64% pro-amalgamation and 36% against (Distriktssenteret 2021).

Collective action before the amalgamation in Sunnfjord

Although Førde, Jølster, Gaular and Naustdal were autonomous entities until the 1st of January 2020, they made efforts to plan and coordinate their decision-making ahead of the amalgamation. The first effort of this kind was the letter of intent to amalgamate signed in 2015 by all parties. In this letter, the municipalities express their intention to amalgamate on the 1st of January 2020 with the following main goals (Gaular, Jølster, Naustdal and Førde 2016).

1. To ensure services of high and equal quality for the citizens

2. To be a driving force and regional centre in the county of Sogn og Fjordane
3. To achieve holistic and coordinated community development
4. To strengthen local democracy

The municipalities also decide to make Førde the administrative centre of Sunnfjord municipality. Furthermore, the letter includes guidelines seemingly designed to combat hoarding. They agree to «show prudence and only implement measures which comply with the municipalities' financial capacity» (Gaular, Jølster, Naustdal and Førde 2016, 3). The municipalities also promise to inform each other of their investments, give each other insight into their most important projects, and not to finance projects by selling assets such as hydroelectric power shares. Finally, the four municipalities explicitly state their most important investment projects in the letter. These investments must, to the extent which it is possible, be carried out by the new municipality. On this list, Jølster names one sports hall, Naustdal lists a health centre, Førde cites development of retail infrastructure and Gaular lists projects to secure new property development and sufficient school and kindergarten capacity (Gaular, Jølster, Naustdal and Førde 2016, 6).

The second effort which the four municipalities made to coordinate the decision-making ahead of the amalgamation was the establishment of the Joint Committee in April 2017 (Sunnfjord kommune 2021). The committee had 19 members, seven of which were from Førde, with the remaining twelve equally divided between Jølster, Gaular and Naustdal. These are some of the responsibilities included in their mandate (PwC 2015):

1. Planning and preparing the execution of the amalgamation until the municipal council of the future municipality is elected
2. Make deals on behalf of the future municipality
3. Although the municipalities are responsible for their own operations until the 1st of January 2020, issues which could be important for the future municipality should be discussed in the Joint Committee
4. The Joint Committee will aim to obtain consensus in all decisions. In the case of disagreement, the Joint Committee must consider whether the issue can be postponed until after the amalgamation. If it cannot, the matter is resolved by simple majority vote

In summary, the letter of intent and the establishment of the Joint Committee are evidence that, at least on paper, the four municipalities made efforts to coordinate their action and limit spending before the amalgamation. It is, however, important to keep in mind that the letter of intent is not legally binding. Agreements made in it can be overruled by a majority vote in the post-amalgamation municipal council. Furthermore, the autonomy of the individual municipalities superseded the authority of the Joint Committee as seen in point (3) above. Consequently, it is unclear whether the letter of intent and the Joint Committee had any effect on hoarding in practice.

The chapter describing the context of my thesis' topic is now complete. The next chapter details my methodology.

Chapter 5: Methodology

In this chapter, I present my study's methodological approach and explain why I chose to conduct a qualitative case study of the Sunnfjord amalgamation using semi-structured interviews with central actors involved in the reform process. First, I will explain my methodological choice and case selection. Then, I detail the interview data collection, processing, and analysis. Finally, I assess the validity and reliability of the interview data.

The research project processes personal data and therefore needed to be approved by the Norwegian Centre for Research Data (NSD). Once the approval was obtained, all personal data was collected and handled in accordance with their guidelines, including deletion upon project completion.

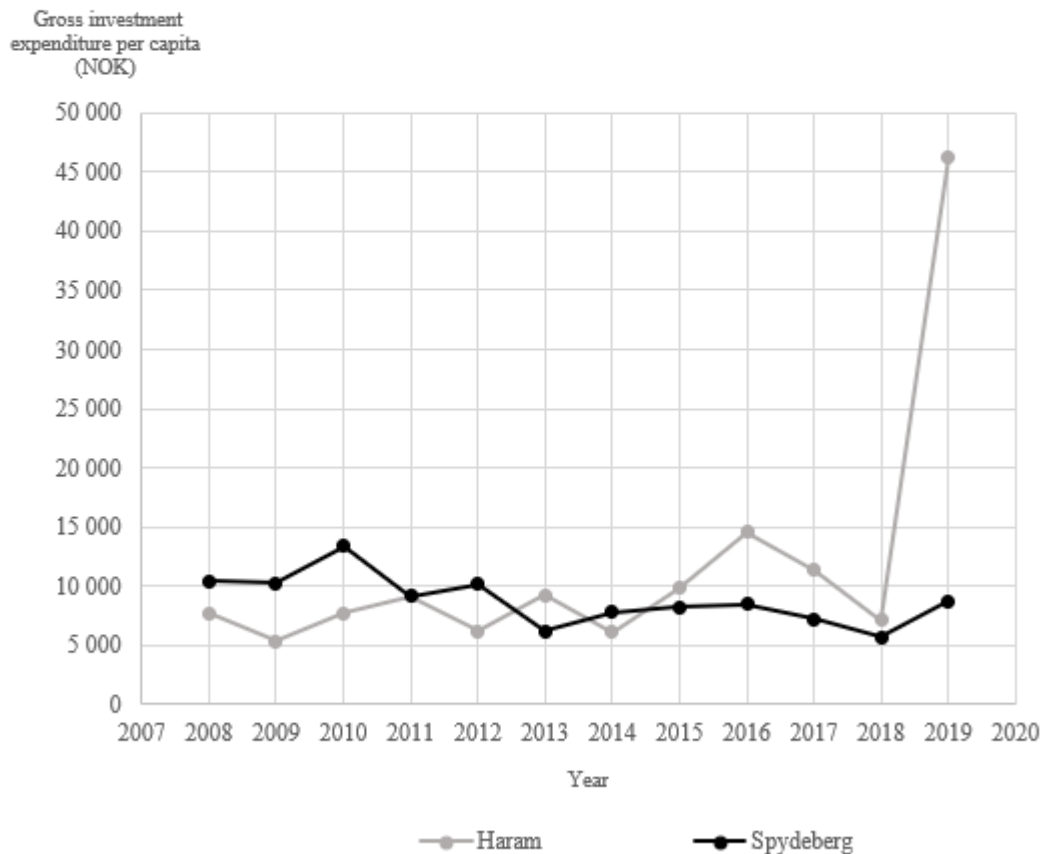
Choice of methodology

As summarised in the literature review, the existing research on hoarding mainly uses quantitative methods to measure the effects of amalgamations on municipal spending. These results are both generalisable and reproducible, which is an advantage of quantitative studies. Nonetheless, the quantitative methods employed in these studies provide limited knowledge of how a municipality's decision to hoard is legitimised.

To illustrate, consider the case of the Norwegian municipalities Haram and Spydeberg. Both municipalities amalgamated respectively into Ålesund and Indre Østfold in 2020 when the local government reform was finalised. In 2019, Haram and Spydeberg had populations of 5 000 to 10 000, making up approximately 14% of the populations of Ålesund and Indre Østfold post-amalgamation (SSB 2022a). None of them spent any time on ROBEK between 2008 and 2019. Because of these similarities, quantitative methods would predict Haram and Spydeberg to be similarly motivated to hoard in the lead up to the amalgamations. The reality is shown in figure 4 below.

Figure 4
The curious case of Haram and Spydeberg

Gross investment expenditure per capita in Haram and Spydeberg municipalities between 2008 and 2019. Investment expenditure data is obtained from the KOSTRA accounting database ((SSB 2022b); (SSB 2022c)), population data from (SSB 2022a)



Haram invested over 45 000 NOK per capita in 2019, triple its previous maximum from 2016 (SSB (2022b); SSB (2022c)). On the other hand, Spydeberg invested 8 700 NOK per capita in 2019, in line with their average annual investment of 8 800 NOK per capita (SSB (2022b); SSB (2022c)). Therefore, despite having similar properties, the two municipalities seemingly approached the opportunity to hoard differently in the lead up to the amalgamations. This illustrates a weakness of quantitative studies of municipal hoarding as they do not allow for deep explanations of what drives individual municipalities to hoard. In this case, they do not

explain why Haram chose to invest three times more than they had ever done previously while Spydeberg chose to invest normally.

In other words, previous studies relying on quantitative methods do not provide sufficient knowledge on the phenomenon of municipal hoarding in the lead up to amalgamations. In the current literature on municipal hoarding, there is awareness of lack of explanations and calls have been made for more detailed studies on the topic (Blom-Hansen (2010); Jordahl and Liang (2010)). To my knowledge, Bråstein (2018) is the only qualitative study on municipal hoarding which attempts to generate deeper, case-specific insight into why the phenomenon transpires. This, combined with the calls for more detailed studies by other researchers in the field, leads me to believe that qualitative case studies are an underexplored approach to the question of municipal hoarding which can generate new and useful insight. In consequence, I have chosen to undertake a qualitative case study of the Sunnfjord amalgamation by conducting semi-structured interviews with key informants to provide more comprehensive and detailed insight into how municipal hoarding is legitimised. The true motivations behind hoarding are not directly observable in interview data because informants may intentionally or unintentionally give biased accounts. This means that I observe the informants' legitimisation of the decision to hoard, not necessarily the true motivations behind the decision. Therefore, my research question is:

How does municipal leadership legitimise the decision of whether to hoard ahead of an amalgamation?

Case selection

Aiming to conduct a case study on how municipal hoarding is legitimised requires a case where the phenomenon took place. In contrast to Bråstein (2018), who published her master thesis on the Lindesnes amalgamation prior to the finalisation of the local government reform, I began my research after the reform had been completed. Accordingly, I was able to select a case where hoarding had been documented. This is true for the Sunnfjord amalgamation where hoarding was acknowledged in the local newspaper in May 2020 (Grimelid 2020). Selecting a case with confirmed hoarding is an advantage because informants are likely more willing to speak openly rather than deny or talk around what could otherwise be an unpleasant topic. The general acknowledgement of hoarding in Sunnfjord should make the informants more

comfortable speaking about the topic, increasing the likelihood of genuine, reflected, and deep answers to my questions.

What is more, the Sunnfjord amalgamation has several interesting properties. First, it is a relatively complex amalgamation with four municipalities involved: Førde, Jølster, Gaular and Naustdal. Second, there is asymmetry in size between the municipalities, with Førde constituting 60% of the total population, while the remaining 40% is evenly divided between Jølster, Gaular and Naustdal (SSB 2022a). Having one relatively sizeable municipality amalgamating with three smaller ones of almost identical size is particularly interesting. The law of $1/n$ proposed by Weingast, Shepsle and Johnsen (1981) predicts similar incentive to hoard for Jølster, Gaular and Naustdal, with a weaker incentive for Førde. On that account, a case study of the Sunnfjord amalgamation can help examine this theoretical proposition and potential deviations from it. Third, the referendum results in both Jølster and Gaular were narrowly in favour of amalgamation (Distriktssenteret 2021). This could provide insight into how internal divisions may influence hoarding. Finally, practical concerns made Sunnfjord a more feasible case study for me. As I am from the region myself, I could stay there while conducting interviews without incurring costs. It is worth mentioning that this decision was made prior to the Covid-19 pandemic, which rendered more flexibility during the data collection than first estimated as most interviews were held digitally.

Selecting informants

A deliberate selection of informants was made to ensure validity and credibility in the interview data. My priority was to identify key informants which had first-hand experience and inside knowledge of both the Sunnfjord amalgamation process and municipal finances. In consequence, it was natural to look towards the leadership in the four amalgamating municipalities. Here, I have partly followed in the steps of Bråstein's (2018) case study of the Lindesnes amalgamation. In her research, Bråstein conducted interviews with mayors, opposition leaders and councillors. Unlike Bråstein, however, I have only interviewed political leaders and not included administrative leaders. Administrators may be less incentivised to bend the truth and could therefore be important informants when trying to determine whether hoarding happened. I am, however, interested in how hoarding is legitimised, not whether it happened as this has already been established in Sunnfjord. In consequence, I consider political leaders to be better suited as informants in my case study than administrative leaders.

Due to the scope of the thesis, I decided to include eight informants in total: one sitting leader and one opposition leader from each of the four amalgamating municipalities. Both types of informants fulfilled the aforementioned requirements of first-hand experience and in-depth knowledge of the amalgamation process and municipal finances. Both the sitting and opposition leaders were central actors in their respective municipalities in the lead up to the amalgamation and were involved in adopting budget and financial plans. Furthermore, all informants besides one also had access to the Joint Committee during the amalgamation process. It was important to include politicians from the opposition as it is likely they can offer a different perspective than those who held power and because I expect them to speak more freely.

The eight informants were first contacted via an informative e-mail inviting them to participate in the research project. Soon after, the e-mail was followed up with a phone call. Six of the eight initial informants wanted to participate. The remaining two informants were replaced with the next candidates on the list I had curated of key informants which fulfilled the abovementioned requirements. Altogether, I have four sitting leaders, one from each of the four municipalities, and four opposition leaders, also one from each of the four municipalities.

Semi-structured interviews

I chose to conduct semi-structured interviews as this type of relaxed one-to-one conversation suits the aim of this thesis well. As previously mentioned, the informants were deliberately selected as key informants believed to have valuable first-hand experience and inside knowledge. What is more, as politicians the informants are not only likely to be knowledgeable of the topic at hand, but also to be competent speakers. I therefore expect the informants to be used to taking the lead when speaking, as well as being familiar with addressing important topics. As a consequence, semi-structured interviews are advantageous as they allow for the thesis' topics to be addressed while remaining adaptive to the individual nature of each interview.

In order to ensure the inclusion and coverage of key topics during the interviews, I developed an interview guide. It was important that it had a simple language to avoid any confusion which could lead to different interpretations of the questions than intended, as well as any unnecessary formality as a relaxed and adaptive conversation was the goal. At the same time, I was

conscious of phrasing the questions in a way which invited the informants to speak openly and allowed them to elaborate on their answers freely. I was especially conscious of avoiding leading questions. Moreover, I was mindful of the composition of questions asked. It was important that the configuration could be able to pick up on smaller nuances in the informants' answers which could be relevant. I had also prepared a set of follow-up questions on the occasion that the informants should struggle to correctly understand or interpret the questions asked.

The questions also grew more direct and challenging throughout the interview guide. It opened comfortably with questions related to the informants' background in local politics and how they typically handled finances in their respective municipalities. The questions then moved over to the amalgamation process and whether the process affected their finances. The informants were also asked about local engagement in their municipality, as well as other potential actors, to see if this had impacted the decisions at the time. The questions then proceeded to the Joint Committee, its purpose in the amalgamation process and its impact on municipal investment plans. Here, the informants were also asked whether they believed that amalgamation partners should have a say in each other's investments. Subsequently, the questions were directed towards the individual municipalities' investments at the time and how these were financed. In general, there was a focus throughout the interview on whether their financial plans had been prioritised differently in the lead up to the amalgamation. The informants were also asked whether they believed that their municipality's investments would be prioritised by the new municipality after the amalgamation. At the end of the interview, I included an open question to let the informants add or elaborate on any important information they might feel like was left out of the interview.

The interview guide was sent to my thesis supervisor for feedback before I submitted it to the NSD. To read the interview guides in full, see Appendix A.

Conducting the interviews

Prior to the interviews, the informants were well informed of what they were participating in. All informants were sent an information letter detailing the research project, how their personal data would be processed and their rights as informants. The letter was based on NSD's template and fulfilled all requirements set by the NSD. In the letter, the informants were made aware of

the fact that they have the right to withdraw their participation at any given time and that it was my wish to record the interviews. Moreover, the letter clearly informed the informants of my decision to not anonymise the Sunnfjord amalgamation, and that as a consequence, information regarding their political office could be published and identifying. To this, all informants agreed. The informants were also encouraged to contact me if they had questions or concerns. In relation to this, one of the informants asked for the interview guide beforehand, which I then sent over e-mail. At the day of the interviews, I also repeated the informants' rights, explained my wish to not anonymise the amalgamation process and asked if I could record the interviews. All informants agreed. To read the information letter in full, see Appendix B.

Ahead of the interviews, I was aware that municipal hoarding could be regarded a sensitive topic and that some of my questions might be considered uncomfortable. As Bråstein (2018, 41, my translation¹²) writes, hoarding can «give association to the municipalities wasting money before amalgamating». This was, however, not a problem during the interviews. Although the informants were informed of their right to skip any answers as they preferred, none of the informants did. Moreover, I found my expectation that the informants were used to taking the lead to be true for most interviews. The informants were in general open and eager to address hoarding and the amalgamation process. In several of the interviews, the informants themselves addressed key topics early on and before we were set to reach it in the interview guide. To conduct semi-structured interviews was therefore a strength as it allowed me to adapt to each interview while still being able to cover the topics in the interview guide.

As for the interviews themselves, all besides one was held digitally. Two of the seven digital interviews were carried out over phone, while the remaining seven were completed over video call on Microsoft Teams. The one in-person interview was held in an office. To ensure reliable data, all interviews were recorded and then transcribed. The length of the interviews varied from 53 to 80 minutes.

Assessment of validity and reliability

It is important to recognise that several factors could have affected the interview data. When processing the data, it is important to keep in mind the informants' background. Their political office might incentivise their answers. For instance, as local politicians they might wish to present the matter in a positive way. This is probably more likely for those informants who

were still politically active at the time of the interview and may have preferred to toe the party line and take no risk with their statements. Further, as the local government reform was initiated by the Solberg government, the informants' political affiliations could affect their answers. It is reasonable to assume that informants from the same political parties as the government which initiated the reform have stronger motivation to present the process positively. Moreover, in municipalities where hoarding occurred, informants could have incentive to portray their municipality in a better light. Additionally, informants may have been impacted by the fact that my case selection is not anonymised. Awareness that readers of this study know that it is about the Sunnfjord amalgamation, could have impacted how freely the informants spoke. On the other hand, anonymising the case would substantially restrict the details I could reveal about the context surrounding the amalgamation. Identifying details such as referendum results and specific investment projects are necessary to properly contextualise the informants' legitimisations of hoarding.

An important distinction between my case study of the Sunnfjord amalgamation and Bråstein's (2018) case study of the Lindesnes amalgamation is the timing of our interviews. While Bråstein interviewed her informants during the amalgamation process, my informants were interviewed after the amalgamation was completed. This could have impacted the interview data in various ways. First, the fact that the interviews were conducted post-amalgamation means some time had passed since the informants' involvement in the process. Further, even more time had passed between the interviews and the start of the local government reform in 2014. This could have impacted the interview data in terms of how well the informants remembered the events that took place. Similarly, informants may have developed rational explanations of their actions which do not reflect the reality of how decisions were made (Christensen and Lægreid 2021, 195). Additionally, informants may be reluctant to address unpleasant topics such as hoarding after it is done, preferring to move on and look forwards. Therefore, it becomes important when assessing the interview data to take into consideration the fact that the informants were not actively a part of the amalgamation process at the time of the interview. Even though some of the informants were unsure of specific details, such as dates, they were in general able to talk freely and answer all questions without difficulty. On the other hand, there is also value in conducting interviews post-amalgamation. First, more data is available to provide richer context. For instance, the audited financial accounts from the entire period preceding the amalgamation are accessible. This allows for comparison between what the informants claim in interviews and what happened in the financial statements. Second,

my informants have had the benefit of full information of what happened during the amalgamation process. In other words, this means that they may have a better overall view of the process compared to an informant who is interviewed mid-amalgamation.

As previously mentioned in this chapter, six out of the eight informants I initially invited to participate in my research project agreed. The fact that two suitable candidates did not participate in interviews may have adversely affected the data quality. On the other hand, the informants which were next in line both fulfilled the requirements I had set and qualified as key informants. I was therefore able to ensure the inclusion of key informants from sitting leaders and opposition leaders from all four of the amalgamating municipalities in the Sunnfjord amalgamation.

As for the interviews, significant effort was made to achieve good validity and reliability through a conscious selection of informants, choosing a type of interview fitting the thesis' aim and informants, and through a careful design of the interview guide. As mentioned, all besides one interview were held digitally. This does not seem to have had a great impact on the interview data. At the time of the interviews, all informants were well used to digital platforms due to the Covid-19 pandemic. It is worth mentioning that all informants were asked if they were comfortable being interviewed digitally. Only one of the informants preferred an in-person interview. Furthermore, there were no technical difficulties during the interviews and therefore no disturbances affecting the conversational flow. Neither were there any disturbances during the one in-person interview, which was held in an office where we were able to speak freely and privately. All interviews were also recorded with the informants' consent and transcribed later, ensuring reliable and easily accessible data during the data processing.

Finally, lack of generalisation is one of the common arguments against conducting case studies (Yin 2018, 20). It is, however, important to highlight that generalisation towards populations or universes is not the goal of this research project. Instead, I aim to help further theory development on municipal hoarding during amalgamation processes. Arguably, the adaptive nature of case studies is particularly valuable in the search for more comprehensive knowledge on the phenomenon as it 1) reveals information which is not easily accessed any other way, and 2) gains access to information which is not easily quantifiable. Therefore, while my case study of the Sunnfjord amalgamation cannot be generalised to all municipal amalgamations, it

can provide an increased understanding of the phenomenon, contribute theoretically, and as a consequence help generate new hypotheses and more future research.

This concludes the chapter describing the methodology of my case study. The next chapter contains my empirical findings.

Chapter 6 - Empirical findings

This chapter has two sections. First, I give an overview of historical investment expenditure in Norway as a whole, and then Førde, Jølster, Gaular and Naustdal specifically. The main investment projects of the four municipalities and other important events in the years preceding amalgamation are also discussed. Second, my interview data is presented by municipality.

Historical investment expenditure

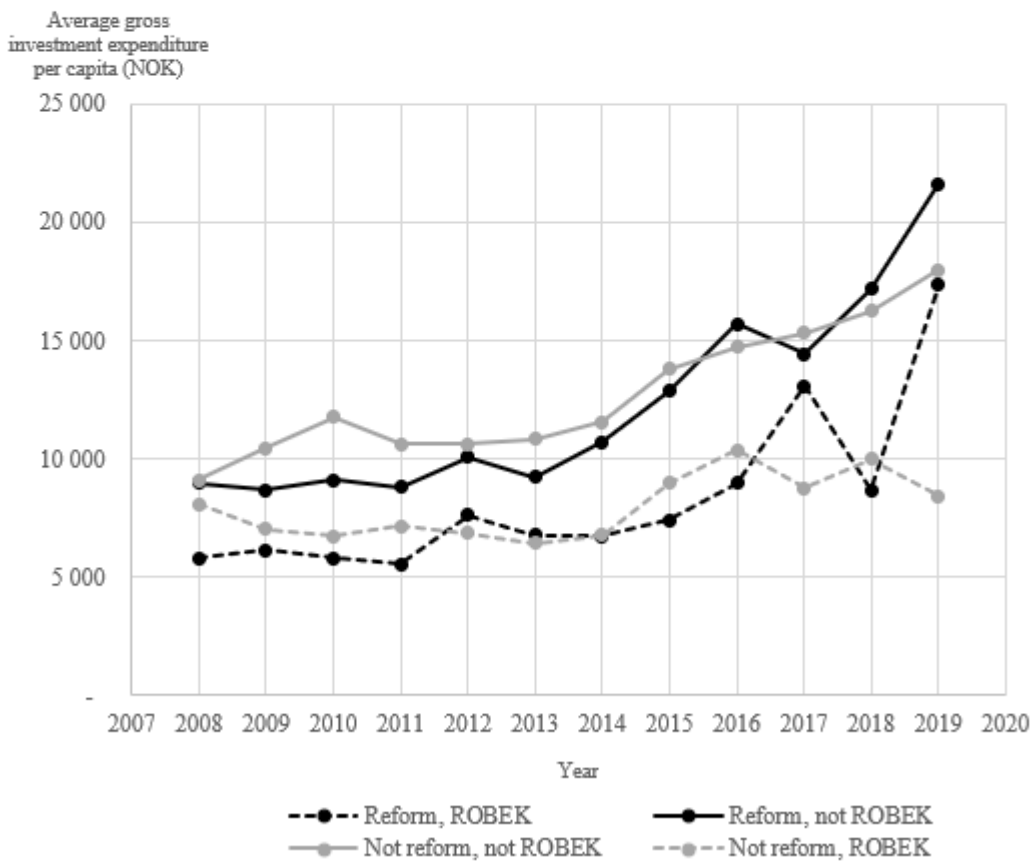
Norway

To illustrate the significance of the reform, it is interesting to examine descriptive statistics of municipal spending before and after the reform was initiated. Using municipal-level data of gross investment expenditure and population size between 2008 and 2019, I compute gross investment expenditure per capita for each municipality (SSB (2022a); SSB (2022b); SSB (2022c)). Then, using historical records of municipal inclusion in ROBEK from 2008 to 2019, I generate a dummy variable which equals one if municipality i was on ROBEK in year t , and zero if not (Kommunal- og distriktsdepartementet 2022). Next, I group the municipalities into four sub-samples according to whether they were on ROBEK in year t and whether they amalgamated in 2020. This means that a municipality moves between sub-samples when it goes on or off ROBEK. For each sub-sample, I compute the average gross investment expenditure per capita. The results are plotted in figure 5 below. I do not consider municipalities which amalgamated earlier than 2020.

Figure 5

Municipal investment expenditure in Norway (2008 - 2019)

Average gross investment expenditure per capita for sub-samples of Norwegian municipalities between 2008 and 2019. The municipalities are split into four sub-samples according to whether they were on ROBEK in year t and whether they amalgamated in 2020. Investment expenditure data is obtained from the KOSTRA accounting database ((SSB 2022b); (SSB 2022c)), population data from (SSB 2022a) and ROBEK membership data from (Kommunal- og distriktsdepartementet 2022)



Comparing the sub-samples of autonomous municipalities indicated by solid lines in figure 5 reveals that amalgamating and non-amalgamating municipalities invested about the same on average per capita between 2008 and 2018. However, in 2019, amalgamating municipalities seem to break the trend and invest substantially more on average per capita than non-amalgamating municipalities. This difference is consistent with what one would expect to see

if hoarding occurred systematically among amalgamating municipalities, but no causal relationship can be inferred from these descriptive statistics.

Next, considering the sub-samples of the nonautonomous ROBEK municipalities indicated by dashed lines in figure 5, we first notice that they invest substantially less per capita than autonomous municipalities. This is not surprising considering the strict financial oversight under which municipalities on ROBEK operate. Still, in 2019 we see a clear increase in average investment expenditure per capita also among the nonautonomous, amalgamating municipalities. This suggests that even municipalities under the austerity imposed by being on ROBEK may have found ways to hoard.

To summarise, amalgamating municipalities invested substantially more on average per capita than non-amalgamating municipalities in Norway in 2019. This is suggestive of a last-minute flurry of spending associated with hoarding, but no cause and effect can be inferred from these descriptive statistics. Having examined the historical investment expenditure in Norway as a whole, the next sections contain similar descriptive analyses of investment expenditure in Førde, Jølster, Gaular and Naustdal.

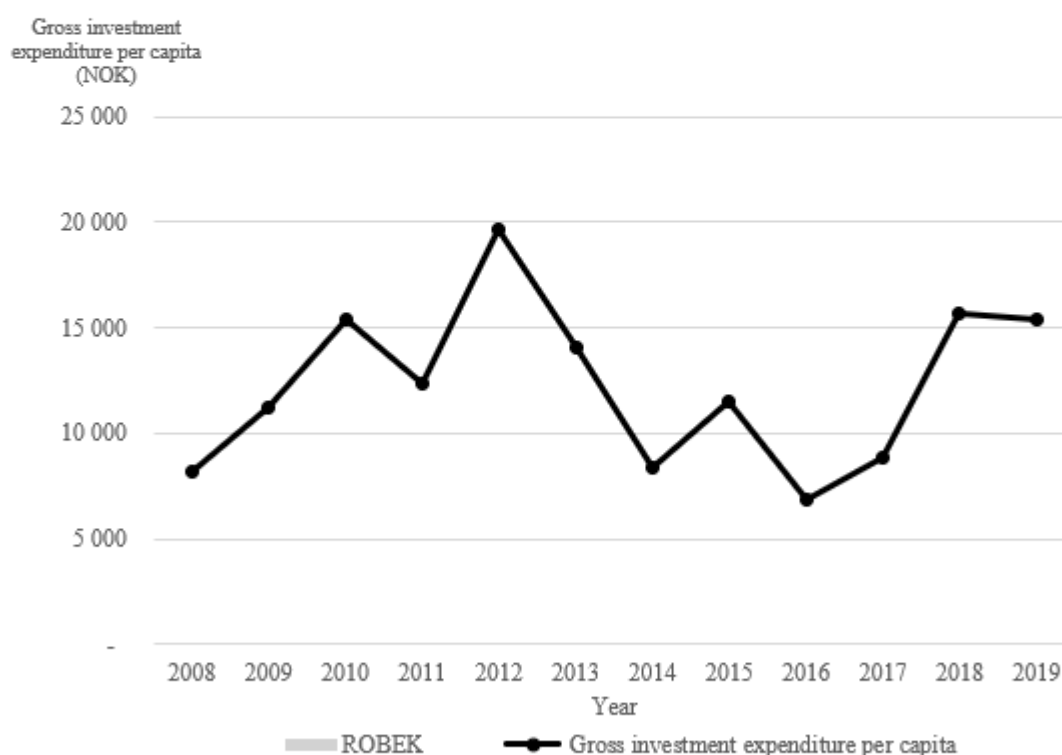
Førde

Using the same data sources as described in the previous section, I plot the gross investment expenditure per capita for Førde municipality between 2008 and 2019 in figure 6 below (SSB (2022a); SSB (2022b); SSB (2022c)). It suggests that Førde followed a stable investment policy during this period, showing no clear trend differences before and after the reform was announced by the Solberg government in 2014. Although there is an increase in Førde's investment after the Sunnfjord amalgamation was formally announced in 2017, the levels are well within the historical range.

There does, however, seem to be an increase in Førde's investments after the Sunnfjord amalgamation was formally announced in 2017.

Figure 6
Municipal investment expenditure in Førde (2008 - 2019)

Gross investment expenditure per capita in Førde municipality between 2008 and 2019. Investment expenditure data is obtained from the KOSTRA accounting database ((SSB 2022b); (SSB 2022c)), population data from (SSB 2022a) and ROBEK membership data from (Kommunal- og distriktsdepartementet 2022). Years in which any time was spent on ROBEK are shaded in grey.

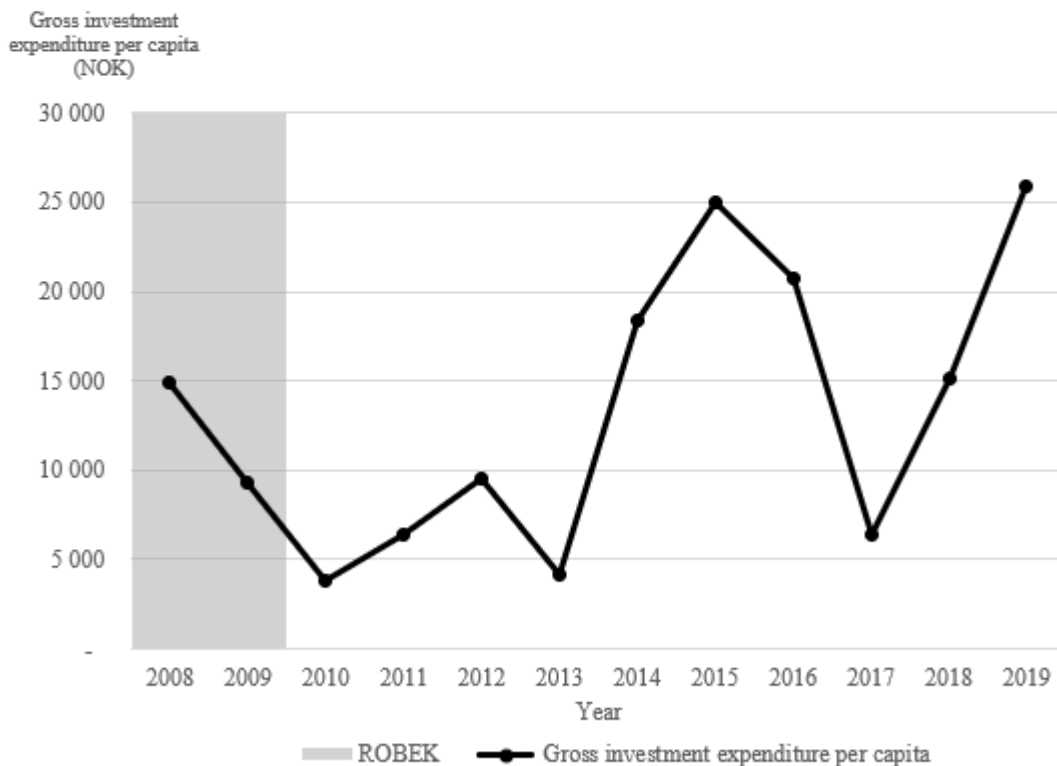


Jølster

Figure 7 below shows the evolution of Jølster's gross investment expenditure per capita between 2008 and 2019. Investments remained low for a few years after Jølster's exclusion from ROBEK in 2010. From 2014 to 2016, Jølster invested heavily to improve health and education infrastructure, before investments fell to pre-2014 levels again in 2017 (Grimelid 2020).

Figure 7
Municipal investment expenditure in Jølster (2008 - 2019)

Gross investment expenditure per capita in Jølster municipality between 2008 and 2019. Investment expenditure data is obtained from the KOSTRA accounting database ((SSB 2022b); (SSB 2022c)), population data from (SSB 2022a) and ROBEK membership data from (Kommunal- og distriktsdepartementet 2022). Years in which any time was spent on ROBEK are shaded in grey.



Interestingly, investments increased substantially in 2018 and 2019 after the Sunnfjord amalgamation was formally announced in December 2017. The pre-amalgamation mayor of Jølster municipality confirmed that this increase was due to projects being pushed forward in time in the aim of completing them before the amalgamation (Grimelid 2020). Among these projects, the most significant are the two sports halls at Skei and Vassenden for which construction started in 2019. Biggest among them is the hall at Skei. Originally estimated to

cost 50 million NOK, it ended up costing 86 million (Iversen (2021a); Produktfakta (2020a)). The smaller hall at Vassenden cost 47 million NOK against an estimated cost of 40 million (Iversen (2021a); Produktfakta (2020b)). In addition to the initial investment cost, the facilities at Skei and Vassenden have annual net operating costs of 6 and 3 million NOK, respectively (Iversen 2021a).

During the municipal council election of 2015 in Jølster, a polarising event occurred. Taking advantage of the right to cast split votes, voters from eastern Jølster were accused of organising to promote representatives from their area into the municipal council (Heggheim 2015a). Split votes are cast by voting for a candidate of another party than the one for which you vote. The idea behind this is that individual politicians can be more important than parties in local politics, and that voters should have the opportunity to reflect this at the ballots (Universitetet i Oslo 2010). An important consequence of split votes is that they enable strategic voting. Consider for example that supporters of party A dislike the main candidate of party B. They can then vote for party A and give a personal vote to a different candidate from party B, dumping their main opponent out of the municipal council in the process. This is essentially what happened in Jølster in 2015. Voters from Skei and surrounding areas in eastern Jølster were accused of organising to split their votes in favour of candidates from their area. The result was that four female representatives from western Jølster who would have had a seat in the municipal council were replaced by four male representatives from eastern Jølster (Heggheim 2015a). This shift in regional and gender composition of the municipal council was a cause of considerable conflict in Jølster. For example, local newspaper reports at the time mention citizens of western Jølster boycotting eastern Jølster by refusing to shop there and by switching to general practitioners from Førde (Heggheim 2015b).

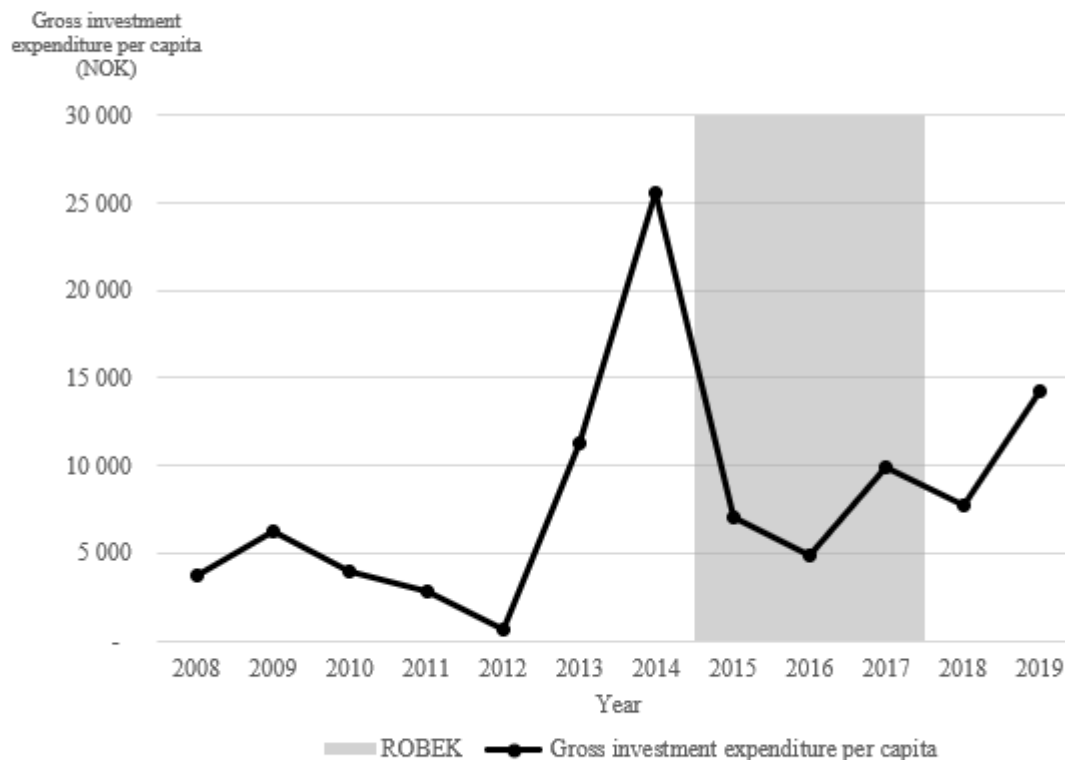
Gaular

As seen in figure 8 below, Gaular was on ROBEK between 2015 and 2017, thereby limiting their capacity to invest. Despite this, Gaular began construction of a sports hall at Bygstad named Bygstadhallen in 2019. Estimated to cost 40 million NOK, the actual cost was 63 million with annual net operating costs of 4 million (Iversen 2021a). Bygstadhallen was much debated, both internally in Gaular and externally amongst their amalgamation partners. This was mainly due to the poor state of the school at Sande, which many felt should have been prioritised over the sports facility. The refurbishment was estimated at 50 million NOK by Gaular municipality, but after the amalgamation a report revealed that substantially more would be needed, which

prompted Sunnfjord municipality to earmark 125 million for the school (Iversen 2021b). Critics have since accused Gaular of intentionally withholding information about the true state of Sande school, suggesting that they did so to focus on other investments before the amalgamation by shifting the cost of refurbishment onto the new municipality (Iversen 2021b).

Figure 8
Municipal investment expenditure in Gaular (2008 - 2019)

Gross investment expenditure per capita in Gaular municipality between 2008 and 2019. Investment expenditure data is obtained from the KOSTRA accounting database ((SSB 2022b); (SSB 2022c)), population data from (SSB 2022a) and ROBEK membership data from (Kommunal- og distriktsdepartementet 2022). Years in which any time was spent on ROBEK are shaded in grey.

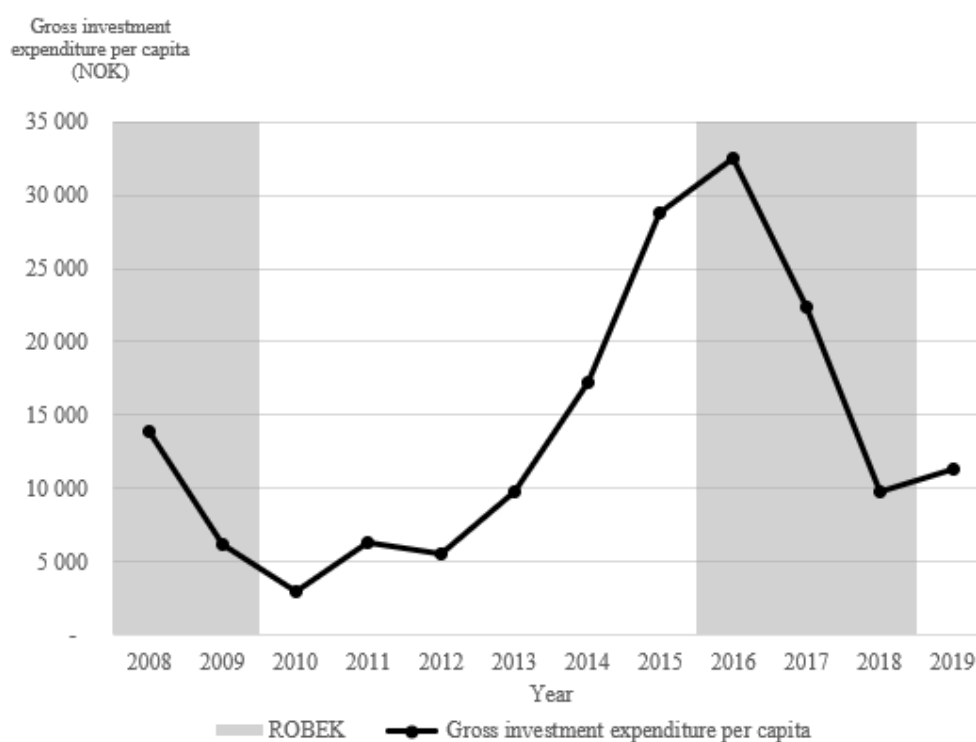


Naustdal

Naustdal municipality had a history of financial imbalance and spent the years from 2008 to 2009 and 2016 to 2018 on ROBEK. As seen in figure 9, these periods coincided with substantial decreases in investment expenditure in Naustdal. The biggest investment project in Naustdal's final economic plan as an autonomous municipality was a health centre estimated at 62 million NOK. Construction was never started prior to the amalgamation, but the project is still included in Sunnfjord municipality's latest economic plan at an estimated cost of approximately 50 million (Naustdal kommune (2018); Sunnfjord kommune (2020)). The project has been delayed in Sunnfjord's plan compared to Naustdal's.

Figure 9
Municipal investment expenditure in Naustdal (2008 - 2019)

Gross investment expenditure per capita in Naustdal municipality between 2008 and 2019. Investment expenditure data is obtained from the KOSTRA accounting database ((SSB 2022b); (SSB 2022c)), population data from (SSB 2022a) and ROBEK membership data from (Kommunal- og distriktsdepartementet 2022). Years in which any time was spent on ROBEK are shaded in grey.



Interview data

In this section, my interview data is presented by municipality. Informants from the sitting and opposition leadership are referred to as «sitting leader» and «opposition leader», respectively.

Førde

According to both informants, Førde municipality was well-run financially. The sitting leader described how the financial plan was set in June, pointed four years ahead in time and served as a backdrop when the administration would start on the following years' budget in the autumn. Moreover, Førde municipality operated with a self-imposed debt ceiling:

We [Førde municipality] were not to increase our debt. We were to operate in a way which facilitated us having a certain, call it surplus, in municipal terminologies it is called underspending, which we should set aside each year into a fund. And that money in addition to the instalments we paid on existing loans, should together be the total sum that we could make new investments with. (Sitting leader, Førde municipality)

As well as describing a financially well-run municipality, both informants from Førde spoke positively of an institutional culture characterised by cooperation and non-partisanship in which ideas were judged on merit regardless of their source. They both contrasted this to more adversarial, partisan cultures in the neighbouring municipalities. The sitting leader from Førde insisted several times on the importance of preserving Førde's culture in the new municipality.

In terms of spending, both informants agreed that Førde municipality remained true to the financial plan during the amalgamation process and did not hoard in the lead up to the amalgamation:

We had our financial plan, we had our debt ceiling. I do not think one can say that Førde municipality's investment budget or its operations were particularly changed because of the amalgamation. We had well-ordered, good finances. We did not spend more money than we would have anyways (Sitting leader, Førde municipality)

No, with my hand on my heart, I must say that the politicians in Førde [municipality] were loyal towards the financial plan. We did not change or come up with new projects

to have them finished before the municipal process. (Opposition leader, Førde municipality)

While the amalgamation did not bring about hoarding in Førde municipality according to the informants, they both addressed ways in which they were affected by the municipal reform. For instance, the sitting leader related how they, as the largest municipality, found themselves in a position with difficult trade-offs during the reform period:

On the one hand you have a responsibility to facilitate good and well-ordered finances in the new municipality where one has services and investments which are coherent in the larger municipality. You have that on the one hand, but on the other hand you have the fact that the municipalities kept their autonomy. They were self-governing all the way up until the amalgamation (...). As the big brother you might want to be careful with interfering in what the other municipalities did (...). Maybe you even have to accept that in these situations there may be somewhat bigger investments than what the other municipalities would have done if it were not for the municipal amalgamation (...). This is a very difficult balancing act because it is in one way about trying to achieve an amalgamation which is a very challenging process in the first place (...). If you create too many challenges then it can affect the whole, and the entirety is also important to think of, namely that you manage to complete the amalgamation in a positive way.

The above quote reveals that the primary goal of Førde municipality seems to have been to complete the amalgamation in a positive way. Both informants highlighted what they considered the long-term importance of achieving the reform. In the following quote, the sitting leader explains this in more detail:

The driver behind amalgamating the municipalities was probably the idea that a bigger and more powerful municipality could ensure services. And not least be an even stronger development player, and one whose voice could be heard both towards Bergen and towards Oslo.

In other words, strengthening Sunnfjord's long-term position regionally and nationally was considered important. Furthermore, both informants described Førde as the «big brother» of the amalgamation. Being the distinctly largest and most urbanised of the four merging municipalities from which the amalgamated municipality would be administered seems to have

weighed on the minds of Førde's politicians. The sitting leader stressed the importance of being aware of how the smaller municipalities perceive you when you are the biggest: «I am aware that being the largest, therein lies a very great responsibility and a great obligation, and I do not think that we who are the largest always understand how we are seen from the outside.»

The importance of the smaller municipalities' perception of Førde is a recurring theme in both interviews. It affected Førde's outward communication in two ways. Firstly, they aimed to have an inclusive language with their neighbours:

We were very aware that throughout this period we should have a language and a way of speaking which was inclusive, where we did not talk about it being a kind of incorporation into Førde [municipality], but that it was an amalgamation of four autonomous municipalities. (Sitting leader, Førde municipality)

Secondly, they refrained from commenting on the investments of the smaller municipalities: «There may have been some fear, especially for us who were the big brother, to start meddling in what they [Jølster, Gaular and Naustdal municipality] should spend their money on, already before we were formally amalgamated» (Opposition leader, Førde municipality). This was done despite being aware of several of the big projects in the other municipalities for a long time, according to both informants.

The willingness to appease the smaller municipalities is further accentuated by both informants' assertion that hoarding was a price to pay for achieving the desired outcome of a successful amalgamation. The sitting leader expressed the following sentiment: «Maybe you even have to accept that in these situations there may be somewhat bigger investments than what the other municipalities would have done if it were not for the municipal amalgamation», while the opposition leader said that: «The sports halls in Jølster were maybe what we had to pay to achieve an amalgamation, I think.»

Although the informants agree on this, the opposition leader also expressed criticism over the lack of central government oversight, describing the decision to let municipalities operate entirely autonomously as «fatal madness». In continuation of this sentiment, the opposition leader expressed regret over not having focused enough on finances due to the fear of being perceived as meddling, explaining that financial accounts should have been consolidated ahead of amalgamation. It is also worth noting that the sitting leader insisted on the importance of

genuinely working towards making the amalgamation a process between four peers, and not only saying so.

To summarise, the interviews indicate that Førde municipality's goal was to achieve the amalgamation because of the long-term benefits they believed it entails for the region. To achieve this, they relied on appeasing their neighbours by using inclusive language and not meddling in their investments. The short-term costs of hoarding were seen as a price worth paying to achieve the amalgamation in a positive way.

Jølster

Both informants from Jølster municipality confirmed that hoarding took place in the lead-up to the amalgamation. In particular, the informants refer to the construction of two sports halls, one at Skei and one at Vassenden. When speaking about these investments, the sitting leader said: «These are investments which probably would not have come about, at least not so quickly, if there had not been a municipal amalgamation. I can be quite honest about that. These were pushed through.»

Moreover, the sitting leader also indicated that the referendum result of 2016 in Jølster was the catalyst for the following hoarding which took place, saying that: «We were not motivated for investments until the referendum said 51% pro-amalgamation.» After the referendum results were known, however, the sitting leader described a broad agreement in Jølster's municipal council to «make as many investments as possible for as long as we could». According to the opposition leader, this led to Jølster municipality investing more than they could have on their own, stating that: «Had we not had an amalgamation with Sunnfjord, where Sunnfjord has the spine to take the consequences of those actions, Jølster municipality would probably have had large financial problems today».

While the opposition leader states that the municipality would not have been able to finance these investments on their own, it is worth stating that the sitting leader seems to disagree with this and stated throughout the interview that Jølster municipality would have managed better on its own. Nevertheless, both informants do agree that hoarding occurred in Jølster municipality and that the hoarding, namely the two sports halls, were due to the amalgamation.

When explaining the reasons behind the hoarding, the sitting leader first mentioned how they assessed the financial strength of their amalgamation partners relative to their own:

We saw that we did not have as high a loan debt as the neighbours we were to amalgamate with, at the same time as we had some income which the neighbours we were to amalgamate with did not have, and that was these hydroelectric power revenues.

In addition to considering debt and income, the informant adds that they examined the state of their neighbour's building stock and primary services. These were judged to be in poor state compared to Jølster where they, according to both informants, had recently invested significantly to improve school and healthcare facilities. According to the sitting leader, Jølster's comparative financial and infrastructural strength lead to an expectation that there would be little investment in Jølster in the years after amalgamation. Consequently, the «strategically correct» decision to hoard was made according to the sitting leader. Furthermore, the sitting leader argued that Jølster could indulge in the sports halls after having upgraded primary services first:

What we did was that we invested in primary services. It was kindergarten, school, care. It was the young, it was the elders, it was the weak groups. That was where we spent money. Therefore, we could in a way treat ourselves at the end and build these halls.

The informant contrasted this with Gaular who «built the sports hall first and then the school [at Sande] rotted» as opposed to Jølster who invested «in the right order».

As well as the relative financial and infrastructural state of their amalgamation partners, both informants mentioned the approaching loss of autonomy as a cause for the hoarding. Although the sports halls had been a topic in Jølster for several years prior to the amalgamation, the informants agreed that they were brought forward in time due to the amalgamation. As stated by the sitting leader, Jølster was only autonomous until the 1st of January 2020 and expecting that the sports halls would not be prioritised by the new municipality, they had to act before the amalgamation. Similarly, the opposition leader stated that the sports halls were built «to achieve something before one lost the right of disposal».

The sitting leader also reflected on the role of the wealth generated by Jølster's hydroelectric power production and its impact on investments prior to the amalgamation:

We had an investment fund which we had built up on power revenue and we used it actively. And I had no, now I must answer for myself, I had certainly no intention of bringing an investment fund into the new municipality.

The opposition leader did not speak of the power revenue directly, but stated that «the accounts were empty when we went to Sunnfjord» which harmonises with the words of the sitting leader above.

Jølster was split between Vassenden in the west and Skei in the east. This was referred to by both informants as a cause for hoarding. The sitting leader describes how the geographical split caused them to build two sports halls: «Then we are a little bit divided. We cannot build a hall at Skei without building a hall at Vassenden, and vice versa. So then we decided that we should build two halls». The opposition leader put more emphasis on how the political split in Jølster affected the hoarding, claiming that the Skei majority municipal council which was formed by the split vote controversy of 2015 skewed the investments towards Skei.

Originally, the decisions were quite alright, but then the decisions were adjusted where, in my opinion, one went in and reduced the allocation at Vassenden to move the money to Skei. And this is probably affected by the composition of the municipal council.

The informant goes on to describe the reluctance among people from Vassenden to interfere with the expanding plans at Skei from fear of having the sports hall at Vassenden further reduced or cancelled.

Additionally, both informants spoke of the collective agreements which existed between the amalgamating municipalities. The sitting leader cast doubt over the trustworthiness of the letter of intent, citing the new municipal council's decision to delay the construction of the health centre in Naustdal as an example. The informant went on to describe how Jølster faced substantial criticism in the Joint Committee for their increased investment spending, but that they stuck to their plans regardless of this. The opposition leader, on the other hand, explained that the smaller municipalities' investments should have been coordinated with Førde to a greater extent than they were.

To summarise, hoarding took place in Jølster municipality in the lead up to the amalgamation according to both informants. The construction of two sports halls were moved ahead in time

as they believed they would not have been prioritised after it. The loss of autonomy was an important factor according to both informants. In addition, the relative financial weakness of their neighbours fuelled Jølster municipality's hoarding. There also seems to have been a desire to make sure that the wealth from Jølster's hydroelectric power generation benefited locally and was not transferred to Sunnfjord municipality. Finally, the split between the two villages Skei and Vassenden also played into how the hoarding manifested itself. First, it resulted in the building of two sports halls. Second, there may have been a skew in favour of Skei due to the composition of the municipal council at the time.

Gaular

Gaular municipality had good finances and was well run according to both informants. For instance, they mention that Gaular had the lowest debt level at the time of the amalgamation. According to the sitting leader, this meant that for a long time there was a majority against amalgamating. Talking in general of this sentiment, the sitting leader said:

For a very long time, there was a majority against amalgamation in Gaular municipality because people felt they had good services, and we experienced that we could manage our municipality well and then one was a little unsure of what one would get.

When it comes to the question of hoarding, there is disagreement between the two informants, especially surrounding the sports hall at Bygstad. The opposition leader clearly stated that Bygstadhallen was not an ordinary process, and that the investment was accelerated to secure it before the amalgamation. Explaining the thought process at the time, the opposition leader said:

It [Bygstadhallen] was affected in the sense that it was very accelerated. Now we are masters of our own house and it was important to make this happen, because if you come into big Sunnfjord you will never get that hall.

When discussing the accelerated spending ahead of the amalgamation, the opposition leader addressed three main reasons. Firstly, that the non-binding nature of the letter of intention created uncertainty surrounding whether promised investments would really be made post-amalgamation:

We can have as many intentions as we want and do not want, but it is a majority decision which is needed, then it is changed. So it is up to the politicians to honour those who were before us and what they have decided and not. (Opposition leader, Gaular municipality).

Secondly, the opposition leader explained the increased spending as the result of a feeling that «one should put things in order before one goes into a new municipality». Finally, the opposition leader mentioned this was “not a common way to finance” due to the desire to «make sure we got our share of the pie».

When talking about Bygstadhallen, the sitting leader related how there was an expectation from the municipality’s inhabitants to build the sports hall but that the investment wasn’t directly affected by the amalgamation. The informant argued that the sports hall would have been prioritised independently of the amalgamation since the investment was first introduced in 2012. The sitting leader went on to explain why Bygstadhallen had not been started earlier:

The reason why it [Bygstadhallen] was not started earlier is that you must have some passionate individuals who can take the project and work on it, right. You must have some resources that can start different projects. Otherwise, nothing will come about.

Thus, the informants from Gaular disagree on whether Bygstadhallen represented hoarding. The opposition leader stated that the project was pushed through, while the sitting leader said that the amalgamation did not affect the project.

At the time of the interviews, the significant increase in renovation cost of Sande school had recently been revealed. Although I did not ask about it, both informants brought up the topic on which they disagreed.

The sitting leader explained that there were expectations among the citizenry regarding Sande school. In relation to this, the informant said that it would have been desirable to invest more, but also pointed out that large investments had been made in recent years to renovate:

Of course, for example, we should have done something with Sande school maybe a little earlier, but we did after all do a very large upgrade of 36 million kroner in 2015,

so that was a good measure, you can say. But all the schools in Gaular [municipality] were continuously upgraded with indispensable measures that were adopted in line with the condition report we commissioned in 2018.

Elaborating on the need to improve the older part of Sande school, the sitting leader also pointed out that Gaular municipality was not the only of the four municipalities which had a backlog of maintenance on their building stock: «As with the other municipalities, there has been quite a lot of backlog on maintenance of the municipal buildings. This applies for all the municipalities in the new Sunnfjord».

On the other hand, the opposition leader was clear that Bygstadhallen affected renovations at the school: «You can say what you want, but such an investment [Bygstadhallen] takes money from the budget (...), and of course it came at the expense of Sande school».

Despite their disagreement surrounding hoarding, both informants conveyed that the development of Gaular municipality was an important goal in the lead up to the amalgamation. The sitting leader elaborated that many were afraid of centralisation and that this was why they were «concerned with facilitating growth and development in the whole municipality». In relation to this, both informants mentioned the positive effects Bygstadhallen would have for the municipality. The opposition leader described the sports hall as a driver of growth which would secure essential services in Gaular: «That is the effect we at Bygstad were looking for, to secure the school and kindergarten with such a hall». The sitting leader echoed this sentiment, stating that Gaular «took the measures which were necessary for security, and to ensure growth and relocation in our part of the municipality».

Interestingly, polarisation was also mentioned in Gaular municipality. When talking about the engagement regarding Bygstadhallen, the opposition leader said that it was «distributed in the villages», while, on the other hand, people in Sande wanted to «fight for the school».

In summary, the informants from Gaular disagree on whether Bygstadhallen was a case of hoarding and whether it affected the decision not to renovate Sande school. They do, however, agree that a central aim for Gaular municipality in the years before the amalgamation was to ensure future growth and thereby secure the presence of essential services locally.

Naustdal

Naustdal municipality had a difficult economy in the lead up to the amalgamation. As shown in figure 9, they were on ROBEK from 2016 to 2018. The opposition leader was clear on the fact that the economic difficulties were a long-term problem, stating that «Naustdal municipality has never had good finances to put it that way».

The economic challenges became a central topic in both interviews and seem to have impacted the amalgamation process in several ways. First, the municipality's economy was an important factor in the local debates regarding an amalgamation. Both informants detailed how they experienced the debates leading up to the referendum, and how a proportion of the inhabitants was pro-amalgamation due to the economic challenges the municipality faced. As the opposition leader put it: «There was some who did not see any other possibility [than amalgamating], and it was mostly about finances, that Naustdal could not manage alone». Thus, questions of financial viability seem to have affected the public debate leading up to the consultative referendum. Interestingly, both informants describe how the local politicians differed from the citizens, taking an anti-amalgamation stance before the referendum. They further detailed how efforts were put into place to inform inhabitants of the negative consequences of amalgamating. Nonetheless, the referendum resulted in a 64% majority in favour of amalgamation. According to both informants, the referendum results were fateful. The opposition leader explained how: «What is quite clear is that the referendum was decisive, because I probably believe that there was almost a majority in the municipal council, which could have said no to the municipal amalgamation».

Despite poor finances, there still existed a strong wish to complete a health centre, called Friskhuset, which would assemble all health services in the municipality prior to the amalgamation. Both informants expressed that Friskhuset was the municipality's big project at the time, but that they were unsuccessful in completing it: «When it comes to large investments that we would very much have liked to have had in place before the municipal amalgamation. Then it was of course Frisksenteret» (Sitting leader, Naustdal municipality). Even though the centre was not completed in time, efforts were made to try and finance it in various ways according to both informants. First, the property tax was significantly increased. Second, selling shares was considered. The sitting leader also discussed a potential sale of shares: «We looked at many, many alternatives. We worked very intensely with it [Frisksenteret]. We probably would not have sold shares, but it was in our thoughts, in order to be able to realise

it». When asked about selling shares, the opposition leader said: « One should not sell this [shares] when one is about to enter a new municipality». The informant cited past experience of public backlash when Naustdal sold shares to fund investment in a school.

Even though the centre was not completed in time and no hoarding took place, the opposition leader stated that the process surrounding Friskhuset «was not an ordinary process» and that efforts were made to try and accelerate the investment. The sitting leader also related how they continued to work on the project even after it was clear that it would not be completed in time. Efforts were made to greatly detail the plans for when it would be handed over to the new municipality.

Both informants also addressed fears of being marginalised after the amalgamation. As stated by the opposition leader: «There was a certain fear that in a larger municipality one would not be given priority». Addressing the health centre specifically, the sitting leader expressed similar uncertainty:

Frisksenteret, yes, I think that would have come about [after the amalgamation], but it is not at all certain. Many residents, including those at the medical centre, were worried that, Førde has the largest medical centre in Norway, that everything would be moved there.

Another topic raised by the opposition leader was Førde's role as the big brother of the amalgamation, stating that: «To put it this way, it is the big brother [Førde municipality] who must be a little generous. I think this is a vital foundation for this [the amalgamation]». The opposition leader also explained that road maintenance became a priority for Naustdal ahead of the amalgamation.

Additionally, the informants spoke of the role of the collective agreements made before amalgamation. Both the sitting and opposition leader explained that investments were among the more important topics of conversation in the Joint Committee, but that the municipalities invested independently of each other. The opposition leader described the letter of intent as a pre-condition for amalgamation.

In summary, Naustdal were willing, but unable to hoard due to financial difficulties and an unwillingness to sell shares to finance the health centre. Still, many of the reasons to hoard

which recur in the other interviews are described by the informants from Naustdal. Firstly, the desire to secure long-term local presence of essential services, in this case by completing Friskhuset. Secondly, the fear of being marginalised by a more centralised municipality after the amalgamation.

This concludes the review of my empirical findings. The next chapter analyses these findings using the theoretical frameworks presented in the earlier chapters.

Chapter 7: Analysis

In this chapter, I analyse the interview data in combination with contextual information in light of the different theoretical perspectives of hoarding. My aim is to explain how the decision of whether to hoard leading up to the Sunnfjord amalgamation is legitimised. The analysis is organised as follows. First, I analyse Førde's role as the big brother of the amalgamation using the logic of appropriateness. Second, the strategic hoarding carried out by the smaller municipalities is analysed using both the logic of appropriateness and rational choice theories. Third, the opportunistic hoarding seen in the Sunnfjord amalgamation is explained by rational choice theories. Fourth, modifying factors which regulated the magnitude and nature of hoarding are analysed. Finally, the analysis is concluded by a summary and discussion of my main findings, with particular emphasis on the findings which provide new insight into the dynamics of hoarding.

The big brother

As discussed in Chapter 3, Førde municipality was a regional centre in the county of Sogn og Fjordane with a substantial non-resident workforce which contributed significantly to the local economy. The letter of intent lists «being a driving force and regional centre in the county of Sogn og Fjordane» as a primary purpose of amalgamating. This sentiment is echoed by the sitting leader in Førde, stating that «the driver behind amalgamating the municipalities was probably the idea that a bigger and more powerful municipality could ensure services. And not least be an even stronger development player, and one whose voice could be heard both towards Bergen and towards Oslo». Furthermore, the failed talks which were held in 2015 for a big amalgamation with ten municipalities are evidence of expansionary ambitions. All in all, there is clear evidence from multiple sources that Førde's main motivation to amalgamate was to consolidate their position as a regional centre. Naturally, failing to amalgamate while peers of comparable size in Sogn og Fjordane did, would have weakened Førde's long-term position. Consequently, one could argue that Førde had more to lose by not amalgamating than Jølster, Gaular and Naustdal.

In the aim to achieve successful amalgamation, the sitting leader described how Førde as the biggest municipality had to manage a difficult trade-off. On the one hand, they had to «facilitate good and well-ordered finances in the new municipality». On the other hand, they had to «complete the amalgamation in a positive way». In other words, Førde was responsible for

completing the amalgamation in a way which benefitted all parties and to ensure financial stability in the new municipality. Applying the logic of appropriateness, we can define Førde's matching process by answering the three questions laid out by Christensen and Læg Reid (2021, 182):

1. What kind of situation am I facing? (Situation)
2. What kind of actor am I? (Identity)
3. What are my institution and I expected to do in a situation like this? (Rule)

Førde's situation

First, we must define Førde's situation. Imminent municipal amalgamation is not a regular occurrence, meaning there was likely limited experience to draw on. Consequently, one could categorise imminent municipal amalgamation as a crisis, as in Bråstein (2018, 7). Still, it is important to keep in mind that it was known through the letter of intent that Førde would become the administrative centre of the new Sunnfjord municipality (Gaular, Jølster, Naustdal and Førde 2016). It follows from this that termination risk is likely to have been experienced as significantly lower in Førde municipality than in the three smaller municipalities. Therefore, I argue that Førde's situation was one of imminent, substantial change, but not one of crisis.

Førde's identity

Second, there is Førde's identity. Both informants from Førde and the opposition leader from Naustdal referred to Førde as the "big brother" of the amalgamation. In English, it is perhaps natural to adopt the Orwellian interpretation of "big brother" as the all-powerful and meddling tyrant. I believe this is a misrepresentation. My view is that the appropriate interpretation of "big brother" in the Norwegian cultural context and in the context of these interviews, is as the responsible guide and role model. This interpretation is supported by evidence from the interviews. For example, the informants from Førde speak of the responsibilities and obligations associated with being the biggest municipality as well as the importance of not meddling in the affairs of the smaller, autonomous municipalities. In summary, my interpretation of Førde's role as big brother is as the custodian of the amalgamated citizenry's long-term interests. This identity matches Bråstein's (2018) interpretation of the bigger municipalities' identity in the Lindesnes amalgamation.

Førde's ambiguous rules

Having identified Førde's situation and identity, the final step is to analyse how these factors may have influenced the appropriate rules of action. Here it is important to keep in mind Førde's trade-off between ensuring a mutually beneficial amalgamation and ensuring financial stability in the future municipality. This can be interpreted as a scenario in which the matching process produces an ambiguous set of appropriate rules, making behavioural prediction «non-trivial» (March and Olsen 2004, 8). In other words, it is appropriate for Førde, as the big brother of an imminent amalgamation, to 1) ensure a mutually beneficial amalgamation and 2) ensure the financial stability of the new municipality. Interestingly, hoarding may help ensure a beneficial amalgamation, especially for the smaller municipalities. On the other hand, hoarding is to the detriment of the financial stability of the new municipality. This trade-off is the source of ambiguity in Førde's rules of action. To what extent should they accept hoarding, increasing the benefit of amalgamation for their smaller neighbours, but also weakening the financial stability of the future municipality? To understand Førde's actions regarding hoarding, one must therefore understand how they weighed the roles of ensuring a mutually beneficial amalgamation against ensuring the financial stability of the new municipality. In my view the evidence suggests that Førde valued the former over the latter.

First, the sitting leader described a cooperative culture in Førde municipality where ideas were judged on merit with minimal partisanship. The informant also stressed the importance of continuing this culture in the new municipality. Creating a cooperative, solution-focused culture requires trust and good faith between participants. It is reasonable to assume that by interfering in the hoarding of their autonomous neighbours, Førde would have discouraged the continuity of these values by generating distrust and anger. Therefore, Førde's apparent desire to apply their institutional culture to the new municipality may have led them to value a mutually beneficial amalgamation over financial stability. In its general form, this is an interesting finding. It shows how the dominant municipality in an amalgamation may desire the new municipality to adopt its culture. This suggests that differences in institutional culture between municipalities may affect the outcomes of their amalgamation, a potentially fruitful topic of research.

Second, the interviews with Førde's informants revealed their ambition to not make the amalgamation more difficult than necessary. As the sitting leader stated: «If you create too many challenges then it can affect the whole, and the entirety is also important to think of,

namely that you manage to complete the amalgamation in a positive way». Once again, this suggests that Førde put more emphasis on completing an amalgamation with which all parties were happy than on ensuring financial stability.

Third, it is evident from the letter of intent and the interviews that hoarding was on the cards years ahead of the amalgamation in 2020. Several of the contentious projects were disclosed in the letter of intent in 2015, in principle guaranteeing their completion. Furthermore, the informants explained that the sports halls in Jølster were expected for a long time. Additionally, empirical research from the Nordic countries suggested that hoarding was to be expected. The availability of this information at such an early stage may have enabled Førde to evaluate the likely consequences of hoarding on the financial stability of the new municipality. If so, this would have reduced uncertainty and thereby increased Førde's inclination towards ensuring a happy amalgamation by not addressing the hoarding.

Finally, Førde might have preferred a positive amalgamation above financial stability due to their considerable relative size. They made up 60% of total population, which means that even if Gaular, Jølster and Naustdal doubled their investments, it would only result in a 40% increase for the amalgamated municipality. Consequently, it may have been enough for Førde not to hoard to ensure the financial stability of Sunnfjord municipality. This is an interesting contrast to the common pool theories which predict that Førde should have hoarded (Hardin (1968); Weingast, Shepsle and Johnsen (1981)). These theories rely on a prisoner's dilemma dynamic which causes individual participants to exploit the common pool even though it would be better for everyone if they did not. In the case of Førde, however, they may have constituted a large enough share of the total population that the financial stability of the future municipality rested on their decision of whether to hoard. In general, when a municipality constitutes a large enough share of an amalgamation, the financial health of the future municipality is in practice only dependent on that municipality. In such a case, the game-theoretic aspect of hoarding diminishes because resource depletion is down to one participant's actions. This is an interesting observation as it suggests that common pool theories lose relevance in the analysis of hoarding when the total population is heavily concentrated in one of the amalgamating municipalities and when there are few amalgamating municipalities.

In summary, Førde had at least four reasons to prefer a mutually beneficial amalgamation in which they accepted hoarding to an unhappy amalgamation in which they opposed hoarding.

First, Førde wanted their cooperative, non-partisan culture to thrive in the new municipality. To achieve this, they were reluctant to cause conflict surrounding their neighbours' hoarding. Second, the interviews reveal that achieving a successful amalgamation was already difficult enough without the additional conflict which would have been caused by meddling in Jølster, Gaular and Naustdal's affairs. Third, Førde's neighbours had disclosed their high priority projects in the letter of intent, thereby making it easier for Førde to anticipate and assess the consequences of hoarding well before amalgamation. Fourth, Førde constituted such a large share of total population that it may have been enough for them not to hoard to ensure financial stability.

Førde's appeasement strategy

When faced with ambiguous rules of appropriate action, Førde emphasised the importance of achieving a mutually beneficial amalgamation above the importance of ensuring financial stability in the new municipality. The dominant rule of appropriate behaviour for Førde was therefore to ensure a mutually beneficial amalgamation. This implies that Førde considered the risk of transitory austerity caused by hoarding as a price worth paying for the long-term value of an amalgamation with which all parties were satisfied. It is perhaps natural then that Førde seemingly chose a strategy of appeasement to achieve this. Their appeasement strategy took the form of three concrete rules of behaviour.

First, they accepted hoarding. The opposition leader stated that the sports halls in Jølster were «what we had to pay to achieve an amalgamation» and the sitting leader said that «maybe you even have to accept that in these situations there may be somewhat bigger investments than what the other municipalities would have done if it were not for the municipal amalgamation». The opposition leader from Naustdal's assertion that «it is the big brother [Førde municipality] who must be a little generous», is further evidence of an understanding between the municipalities, tacit or explicit, that some hoarding was acceptable. This is in line with Saarimaa and Tukiainen's (2015) explanation of hoarding as compensation for the loser(s) of an amalgamation and Bråstein's (2018) finding that an understanding of acceptable hoarding emerged in the Lindesnes amalgamation.

Second, Førde appeased their neighbours by not meddling in their affairs. The sitting leader explained that «as the big brother you might want to be careful with interfering in what the other municipalities did». The opposition leader described the same sentiment, stating that

«there may have been some fear, especially for us who were the big brother, to start meddling in what they [Jølster, Gaular and Naustdal municipality] should spend their money on, already before we were formally amalgamated». The fact that the politically opposed informant from Førde described the same reluctance to meddle suggests that there existed broad agreement among Førde's politicians to not interfere with their neighbours' hoarding.

The third rule of behaviour of Førde's appeasement strategy concerns communication. It is clear from the interviews that Førde put great emphasis on Gaular, Jølster and Naustdal's perception of them. In particular, the sitting leader stressed the importance of external perception, stating that: «I do not think that we who are the largest always understand how we are seen from the outside». To avoid Førde being perceived negatively by its smaller neighbours, the sitting leader described the importance of language: «Throughout this period we should have a language and a way of speaking which was inclusive, where we did not talk about it being a kind of incorporation into Førde [municipality], but that it was an amalgamation of four autonomous municipalities». This emphasises the importance of achieving a mutually beneficial amalgamation for Førde and suggests that they were willing to walk on eggshells to avoid upsetting Jølster, Gaular and Naustdal. The mandate of the Joint Committee to delay contentious issues whenever possible is further evidence of a reluctance to rock the boat ahead of amalgamation.

Thus far, I have explained Førde's actions from the theoretical perspective of the logic of appropriateness (March and Olsen 2004). Based on this approach, it seems that Førde, in the aim of ensuring successful amalgamation, found it inappropriate to hoard themselves. Additionally, being the administrative centre of the new municipality meant that Førde did not experience the same termination risk as their neighbours, thereby dampening their incentive to hoard. From the perspective of the tragedy of the commons (Hardin 1968) and the law of 1/n (Weingast, Shepsle and Johnsen 1981), hoarding occurs when a group of individually autonomous municipalities can spend from the common pool of resources. This condition is met in my case study as Førde, Jølster, Gaular and Naustdal had several years of autonomy between the confirmation and execution of their amalgamation. Therefore, applying the rational choice theories of Hardin (1968) and Weingast, Shepsle and Johnsen (1981) unambiguously predicts that Førde should have hoarded. Despite this, their investment data in figure 6 shows no clear signs of hoarding and both the sitting and opposition leaders from Førde denied hoarding in their interviews. This suggests that other factors than the opportunity to

exploit the common pool were determinant for Førde ahead of the amalgamation. Consequently, the rational choice theories have little explanatory power when it comes to describing Førde's actions. I therefore consider these theories to be of little relevance for the analysis of Førde and have chosen to put more emphasis on the logic of appropriateness (March and Olsen 2004).

In summary, Førde's main motivation to amalgamate was to consolidate their position as a regional centre in Sogn og Fjordane. They took on the role of "big brother" in the process, acting as the custodian of the amalgamated citizenry's long-term interests. This generated an ambiguous set of appropriate rules. Førde had to choose between the appropriate, but contradictory actions of ensuring a mutually beneficial amalgamation by turning a blind eye to hoarding and ensuring the financial stability of the future municipality by opposing hoarding. Due to their substantial relative size, the transparency of the letter of intent, the difficulty of amalgamating and their desire to spread their institutional culture, Førde prioritised ensuring a mutually beneficial amalgamation over ensuring financial stability. To achieve a mutually beneficial amalgamation, Førde seems to have employed a three-pronged strategy of appeasement. First, they accepted hoarding as the price to pay for amalgamation. Second, they refrained from meddling in their neighbours' affairs. Third, they adopted cautious and inclusive communication aimed at not upsetting their neighbours. Having analysed Førde's role in the Sunnfjord amalgamation, the next sections discuss how the informants from Jølster, Gaular and Naustdal explain hoarding.

Strategic hoarding

The empirical literature shows that marginalisation is a real concern for small and peripheral municipalities in an amalgamation. Lassen and Serritzlew (2011) conclude that the increase in size associated with the Danish amalgamations was detrimental to local democracy while Saarimaa, Tukiainen and Harjunen (2021) find that amalgamations are linked to substantial reductions in public jobs and services in small and peripheral Finnish municipalities. Faced with this threat, small amalgamating municipalities adapt by adjusting their spending. Borge and Tovmo (2020) find evidence that Norwegian municipalities hoarded in primary schools, indicating a desire to secure the long-term local presence of primary schools. Furthermore, Bråstein (2018) shows that the prevention of future centralisation was an important driver of hoarding in the Lindesnes amalgamation. Finally, Saarimaa and Tukiainen (2016) show how

citizens of small municipalities concentrate their votes among a few, local candidates to maximise local representation in the new municipal council.

In line with this literature, fear of marginalisation was an important topic among the informants from the smaller municipalities in the Sunnfjord amalgamation. As with Førde, we can analyse Gaular, Jølster and Naustdal's decisions using the framework of the logic of appropriateness.

Situation

Gaular, Jølster and Naustdal's interviews reveal that the fear of being marginalised was a recurring theme also in the Sunnfjord amalgamation. The opposition leader from Gaular expressed distrust towards the letter of intent, explaining that all it takes to reverse its commitments is a majority vote in the new municipal council. Additionally, the opposition leader stated that Bygstadhallen would never have been built by the new municipality, making it necessary for Gaular to start it while they were still «masters of their own house». Similarly, the opposition leader from Naustdal described «a certain fear that in a larger municipality one would not be given priority». Additionally, the sitting leader from Jølster mentioned suspicion of being ignored in the years following the amalgamation due to Jølster's primary services and infrastructure being of superior quality to Gaular and Naustdal's. In summary, the interview data from the smaller municipalities in the Sunnfjord amalgamation indicates that they were wary of being marginalised after the amalgamation. Their situation can then be described as one of imminent amalgamation with substantial risk of agency termination. In such a scenario, it is perhaps more appropriate to define the situation as a crisis, following Bråstein (2018, 7).

Identity

Where Førde was seen as the “big brother” who acted in the interest of the new citizenry, the smaller municipalities maintained a local focus despite the upcoming amalgamation. For example, the informants from Gaular stated that they «took the measures which were necessary for security, and to ensure growth and relocation in our part of the municipality» (Sitting leader, Gaular municipality) and that Bygstadhallen was started to «secure the school and kindergarten» (Opposition leader, Gaular municipality). Furthermore, the sitting leader from Jølster described how they had «no intention» of bringing Jølster's funds from hydroelectric power revenue into the new municipality, indicating a desire to serve the local citizenry. Similarly, Naustdal's informants explained that they worked «very intensely» (Sitting leader, Naustdal municipality) to complete Friskhuset which they were «not at all certain» (Opposition

leader, Naustdal municipality) would come about after the amalgamation. All in all, the interviews suggest that Gaular, Jølster and Naustdal acted with the interests of their local citizenry in mind. Therefore, I interpret their roles as custodians of the local citizenry's long-term interests. This role aligns well with the literature which describes hoarding as the response to agency termination by an agent acting in the interest of the local citizenry (Askim et al. (2020); Saarimaa and Tukiainen (2015)). It is also in line with Bråstein's interpretation of the identity of the smaller municipalities in the Lindesnes amalgamation (2018, 9).

Rules

Jølster, Gaular and Naustdal's matching processes seems to generate a clearer set of appropriate rules than Førde. Facing imminent agency termination while being the custodians of the local citizenry's interests, they saw it as appropriate to hoard in the aim of securing the long-term local presence of essential services. This rule manifested itself in Bygstadhallen in Gaular, school and health investments in Jølster, and the attempted construction of Friskhuset in Naustdal. These findings are in line with Bråstein (2018) and Borge and Tovmo (2020), who find evidence that Norwegian municipalities hoarded to secure the local provision of key services. Essentially, this type of hoarding is done to prevent the new municipality from centralising core services, which would make it difficult for the periphery to attract and retain citizens. I refer to this as strategic hoarding.

Still, there are subtle differences in behaviour between the small municipalities in the Sunnfjord amalgamation. For instance, Naustdal and Jølster reacted differently to the option of selling shares to fund investments. Where the sitting leader from Jølster explained that they had «no intention» of taking their funds into the new municipality, the opposition leader from Naustdal stated that «one should not sell this [shares] when one is about to enter a new municipality» based on previous experience. This is an interesting finding because it illustrates how meaningful behavioural differences can emerge between municipalities even when their incentives to hoard seem to be the same. Once again, this is testament to the complexity of this phenomenon. It shows how differences in culture, experience and other less quantifiable factors can cause substantial differences in hoarding between seemingly similar municipalities. In this particular case, Jølster's decision to finance investments by selling shares may have helped them realise the sports halls at Skei and Vassenden, while Naustdal's decision not to sell shares contributed to the health centre not being started before amalgamation.

The rational choice explanation of strategic hoarding

So, applying the logic of appropriateness to Jølster, Gaular and Naustdal suggests that strategic hoarding was seen as the appropriate response to a situation of imminent agency termination in which the role was to protect the interests of the current citizenry. Contrary to Førde, however, rational choice theories also explain Jølster, Gaular and Naustdal's behaviour well. As explained by Saarimaa and Tukiainen (2015) and Askim et al. (2020), imminent agency termination combined with fear of future marginalisation drives local politicians to increase spending while they still can. Additionally, the tragedy of the commons (Hardin 1968) and the law of $1/n$ (Weingast, Shepsle and Johnsen 1981) predict that Jølster, Gaular and Naustdal should hoard and that their incentive to hoard is stronger than Førde's because they constitute a much smaller share of the new municipality. The reason why the rational choice theories predict well for the smaller municipalities compared to Førde is that the smaller municipalities did not have conflicting concerns which discouraged hoarding. In Førde's aim to ensure amalgamation by appeasing the smaller municipalities, hoarding themselves may have been seen as destructive. The smaller municipalities, on the other hand, acted in the interest of the local citizenry, which meant that they did not face the same self-imposed constraints on hoarding as Førde. Consequently, they were more inclined to hoard, as predicted by Saarimaa and Tukiainen (2015), Askim et al. (2020), Hardin (1968) and Weingast, Shepsle and Johnsen (1981). It is important to note, however, that correctly predicting an outcome is not the same as understanding its causes. For instance, the law of $1/n$ (Weingast, Shepsle and Johnsen 1981) describes hoarding as a result of an opportunity to localise the full benefits of spending while shifting costs onto others. In the case of this strategic hoarding, however, it is the urgency of securing the long-term interests of the local citizenry while one still can which causes increased spending, not the opportunity to exploit the common pool. In this case one could therefore argue that the law of $1/n$ predicts the increased spending correctly but explains its causes incorrectly.

In summary, the purpose of the strategic hoarding described in this section is to secure the long-term local provision of core services. This logic seems to have been an important factor for the smaller municipalities' hoarding and is supported theoretically both by the rational choice literature and the logic of appropriateness. This behaviour does, however, not account for all the hoarding associated with the Sunnfjord amalgamation. The next section describes the more opportunistic forms of hoarding driven by the option to shift costs by exploiting the common pool.

Opportunistic hoarding

The most prevalent theoretical explanation of hoarding is that it emerges because of a common pool problem created by the delay between the announcement and completion of an amalgamation. This enables the autonomous municipalities to enjoy the full benefits of increased local spending while shifting a share of the costs onto the new municipality. The smaller a municipality is compared to the total size of the new municipality, the stronger its incentive to hoard. This is known as the law of $1/n$ (Weingast, Shepsle and Johnsen 1981).

It is important to appreciate the difference between the law of $1/n$ and strategic hoarding. According to the law of $1/n$, municipalities hoard because they can shift costs onto the new municipality. Strategic hoarding, on the other hand, occurs because municipalities wish to secure the local provision of core services beyond the amalgamation, after which they fear being marginalised. The important difference is that strategic hoarding is not driven by the opportunity to shift costs onto the new municipality, but hoarding following the law of $1/n$ is. Therefore, one could argue that strategic hoarders increase spending because they feel they must before it is too late, while those who exploit the common pool hoard because they can. This is an important qualitative distinction as it shows that the same outcome, hoarding, can have different causes. For a policymaker, knowing whether hoarding is strategically or opportunistically motivated could make a difference for choice of policy. For a quantitative researcher, however, all hoarding looks the same because they produce the same outcome: increased spending. Distinguishing between strategic and opportunistic hoarding is difficult even with qualitative data as it requires knowledge of what motivated the increased spending. This information can be intentionally or unintentionally obfuscated by informants in interviews. Nevertheless, I believe there is sufficient evidence from my interviews to make a meaningful distinction between strategic and opportunistic hoarding in the Sunnfjord amalgamation.

When speaking about Jølster's municipal council's investment policy after the referendum, the sitting leader described a general agreement to make «as many investments as possible for as long as we could». According to the opposition leader from Jølster, this led to the municipality investing beyond its means, stating that: «Had we not had an amalgamation with Sunnfjord, where Sunnfjord has the spine to take the consequences of those actions, Jølster municipality would probably have had large financial problems today». Furthermore, the sitting leader explained that Jølster could «treat themselves» to the sports halls at Skei and Vassenden. Seen

together, these quotes suggest that Jølster aimed to invest as much as possible without constraint, even in projects which could be seen as luxuries rather than necessities. This interpretation is accentuated by the fact that Jølster had invested heavily in core services in 2014 and 2015, meaning that there was likely less strategic hoarding to be done than in Gaular and Naustdal. All things considered, I believe it is reasonable to interpret Jølster's hoarding, particularly the two sports halls, as opportunistic hoarding driven by the possibility of exploiting the common pool.

There are also examples of potential opportunistic hoarding in Gaular. The opposition leader explained the importance of making sure «we got our share of the pie», suggesting a desire to exploit the common pool. Furthermore, Sande school was in disrepair before the amalgamation with an estimated 50 million NOK investment needed to refurbish it. Despite this, Gaular elected to start the construction of Bygstadhallen and not to refurbish Sande school. After the amalgamation, a new report revealed that the state of Sande school was worse than initially assumed, requiring a 125 million NOK investment, a 150% increase from the initial estimate of 50 million. This caused controversy in the new municipality, with some accusing Gaular of deliberately hiding the true extent of disrepair in the knowledge that the new municipality would have to make Sande school a priority, enabling Gaular to focus on Bygstadhallen before the amalgamation.

Whether this is true is hard to say, but it is nevertheless an interesting finding because it reveals a new type of hoarding which, to my knowledge, contributes to the literature. It shows that municipalities can hoard by delaying investment in projects that the new municipality must prioritise in favour of less pressing investments. Interestingly, this type of intertemporal hoarding could be executed by a municipality without increasing spending before an amalgamation, meaning that even municipalities on ROBEK could do it. To illustrate, consider an example of municipality A which normally invests an average of 100 million per year. It has two investment options in the year preceding amalgamation: make important repairs to a sewage treatment plant for 100 million or build a new theatre for 100 million. In the knowledge that the new municipality must make the sewage treatment plant an immediate priority, municipality A can choose to build the theatre which may not be prioritised by the new municipality. By doing so, municipality A guarantees itself the theatre and simultaneously compel the new municipality to repair the sewage treatment plant. In effect, municipality A gets the same outcome as it would if it had spent 200 million and executed both projects in the

year preceding amalgamation. The difference is that the spending is done over two years by two legal entities: the theatre by municipality A in the year preceding amalgamation, and the sewage treatment plant by the new municipality in the year following amalgamation. By only looking at annual spending, one would conclude that municipality A did not hoard because it spent 100 million which is in line with its historical average. To the politicians of the new municipality who must delay 100 million worth of alternative investment in favour of the sewage treatment plant, however, it is a clear case of hoarding.

To summarise, the delay between the confirmation and execution of the Sunnfjord amalgamation provided a window of opportunity for the autonomous municipalities to internalise the full benefit of increased spending while shifting the costs, creating a common pool problem. There is evidence to suggest that Jølster exploited this opportunity by adopting a policy of investment maximisation before the amalgamation, notably manifesting in the form of the two sports halls. This indicates that Jølster's hoarding was substantially driven by the opportunity to exploit the common pool. Additionally, there is weaker evidence that Gaular may have hidden the true extent of Sande school's disrepair in the knowledge that the new municipality would have to fix it, allowing Gaular to hoard by investing elsewhere before the amalgamation. These findings are well explained by the common pool theories which describe hoarding as the depletion of a common pool resource by individually rational agents (Hardin (1968); Weingast, Shepsle and Johnsen (1981)). Therefore, I consider this opportunistic hoarding to be sufficiently understood through the lens of common pool theories and do not find it necessary to conduct a deeper analysis of opportunistic hoarding from the perspective of the logic of appropriateness.

Thus far, I have discussed Førde's appeasement strategy, the strategic hoarding of Jølster, Gaular and Naustdal, and the opportunistic hoarding of Jølster and Gaular. Together, these three factors explain a considerable part of the hoarding which took place preceding the Sunnfjord amalgamation. Still, it remains unclear which factors determine the extent to which hoarding is predominantly strategic or opportunistic. The interviews reveal several modifying factors which may help explain this. I discuss these findings in the next section.

Modifying factors

In this section I first introduce the potential significance of internal polarisation for hoarding outcomes. Second, the role of collective agreements is examined. Third, I discuss the logic of peer comparison used by some of my informants to legitimise hoarding. Finally, the tendency to legitimise hoarding by describing it as a way of setting one's house in order before amalgamation is discussed.

The importance of internal polarisation

Informants from both Jølster and Gaular described polarisation as a reason for hoarding. The opposition leader from Gaular explained that support for Bygstadhallen was strongest in the villages while inhabitants from the administrative centre, Sande, prioritised the school. In Jølster, as illustrated in figure 3, the referendum results were strongly correlated to distance from Førde. The parishes closest to Førde were 80 to 90% pro-amalgamation while the parishes furthest away from Førde were 80 to 90% anti-amalgamation. In aggregate, this produced a narrow majority of 51% in favour of amalgamation. Furthermore, there was friction between Vassenden and Skei after the “coup” of 2015 which resulted in an over-representation of representatives from Skei in the municipal council. According to the opposition leader, this mobilised the citizens of Vassenden to vote in favour of amalgamation which may have been enough to clinch the majority.

The sitting leader indicated that the internal division in Jølster may also have contributed to the construction of two sports halls, stating that: «Then we are a little bit divided. We cannot build a hall at Skei without building a hall at Vassenden, and vice versa». Once it was decided that two sports halls would be built, the opposition leader described how funds were reallocated from the hall at Vassenden to the hall at Skei due to the composition of the municipal council. According to the informant, this dissuaded Vassenden's citizens from opposing the hoarding at Skei despite their opposition to it. They feared that the hall at Vassenden would be further diminished if they did so.

To summarise, these observations indicate that internal polarisation can be a factor in the explanation of hoarding. In the case of Jølster, it seems that polarisation increased hoarding, but this does not mean that polarisation necessarily increases hoarding. Jølster's case suggests that a high degree of internal polarisation can accelerate hoarding if the executive ability of the

municipal council is not compromised by conflict. In such a case, trust is likely to be low, making the municipal council more inclined to exploit the common pool. On the other hand, one could imagine that a municipal council evenly composed of polarised politicians could struggle to plan and execute projects. Even if the politicians agree that they should hoard, ineffective governance caused by their polarisation could generate a dampening effect on hoarding. Interestingly, the opportunity to hoard could also be used to reduce polarisation by hoarding to even out internal inequality. All in all, the dynamics governing the effects of polarisation on hoarding are likely to be ambiguous, meaning that polarisation can both increase and decrease hoarding depending on circumstances. This may be a fruitful topic of future research.

The collective agreements

The informants had mixed impressions of the role which the letter of intent and the Joint Committee played in the amalgamation. The sitting leader from Jølster and the opposition leader from Gaular expressed distrust towards the letter of intent, citing the reversibility of any commitments made in it. Despite the frustration of the Joint Committee, Jølster invested as they had planned, according to the sitting leader. This indicates the weakness of both the letter of intent and the Joint Committee about which several informants expressed regret. The opposition leader from Førde explained that they did not emphasise finances enough through fear of being perceived as meddling in their neighbours' affairs. The informant said that the four municipalities should have consolidated their accounting ahead of amalgamation for better governance. Echoing these thoughts, the opposition leader from Jølster pointed out that investments should have been coordinated with Førde to a larger extent. Naustdal's informants agreed that investments were an important topic of conversation in the Joint Committee, but that municipalities invested independently of each other. Interestingly, the opposition leader from Naustdal described the letter of intent as a pre-condition for the amalgamation.

All in all, the letter of intent and the Joint Committee seem to have been inadequate attempts at preventing hoarding. Ultimately, the authority to determine spending lay with the individual municipalities until December 31st 2019. This indicates that the true purpose of the letter of intent and the Joint Committee was not to avoid hoarding, but to ensure amalgamation. This finding is in line with Førde's strategy of appeasement which valued a mutually beneficial amalgamation above the financial risks of hoarding.

Peer comparison

Informants from Jølster and Gaular legitimised hoarding by comparison to other municipalities. This logic of comparison comes in two forms. First, there is a strategic logic of comparison. The sitting leader from Jølster described how they conducted a comparative analysis of their neighbours' debt levels, revenues, building stock and primary services relative to Jølster's. The conclusion of this analysis was that their neighbours had more debt, less revenue and lower quality infrastructure and services. This led to an expectation that Jølster would not be prioritised by the new municipality because needs were more pressing elsewhere. Consequently, it was seen as appropriate and strategically correct to build the sports halls at Skei and Vassenden before the amalgamation.

Second, there is a moral logic of comparison. The sitting leader from Jølster legitimised the construction of their sports halls with the argument that they had invested in primary services first as opposed to Gaular who «built the sports hall, and then the school [at Sande] rotted». This comparison reflects Jølster's hoarding as morally superior to Gaular's because Jølster had at least done the responsible spending first. Similarly, the sitting leader from Gaular defended the decision not to renovate Sande school, stating: «As with the other municipalities, there has been quite a lot of backlog on maintenance of the municipal buildings. This applies to all the municipalities in the new Sunnfjord». In this quote, the decision not to renovate the school is normalised by the revelation that all four municipalities had significant backlogs.

It is important to keep in mind that the informants' use of a logic of comparison to legitimise hoarding in the interviews does not necessarily mean that this logic was important at the time of hoarding. I think it is reasonable to expect that moral comparisons could be narratives constructed after the fact to ennoble hoarding. It is also possible that Jølster's strategic logic of comparison is an example of a logic of consequence being retrofitted to justify an action which was actually based on a logic of appropriateness (Christensen and Læg Reid 2021, 195). On the other hand, it could be that Jølster did perform a comparative analysis of their neighbours before deciding to hoard. If so, this suggests that inequality in financial health between amalgamating municipalities could be a determinant of hoarding. Municipalities which have relatively strong finances compared to their neighbours may have a stronger incentive to hoard due to fear of their financially weaker neighbours being prioritised in the new municipality.

Setting your house in order

Finally, there is a tendency among the informants from the smaller municipalities to legitimise hoarding as a policy to set their own house in order before the amalgamation. The opposition leader from Gaular explained that «one should put things in order before one went into a new municipality». Similarly, the sitting leader from Jølster spoke of how they prioritised core services before looking towards more exuberant projects. Naustdal's opposition leader also mentioned that road maintenance was prioritised before the amalgamation. These statements indicate that the amalgamating municipalities wished to minimise their infrastructural maintenance backlog before entering the new municipality. On the other hand, it is possible that this logic is another example of a narrative constructed after the fact to ennoble hoarding. The act of setting one's house in order engenders associations of responsible and honourable action, which could be what the informants wished to transmit.

In either case, it is an interesting finding because it indicates a lack of collective thinking among the smaller municipalities. If the individual municipalities could not afford their backlog of maintenance before the amalgamation, it follows that the new municipality could not afford the collective backlog of maintenance after the amalgamation. Consequently, the collectively responsible action would arguably be to leave one's house in "disorder" and allow the new municipality to determine how to best order it without generating financial instability.

Discussion

In this section, I summarise and discuss the main findings of my thesis. Some of these findings are in line with existing theoretical and empirical literature, while others contribute new insight into the dynamics of hoarding.

Hoarding as a collective agreement

An agreement about acceptable hoarding, tacit or explicit, seems to have emerged ahead of the Sunnfjord amalgamation. Among other factors, Førde's desire to extend their cooperative, non-partisan culture to the new municipality inclined them towards a lenient stance on hoarding. This stance was further accentuated by the transparency of the letter of intent which included the projects in which hoarding was likely to occur, and by the fact that Førde constituted a large enough share of total population to dampen the effects of hoarding by the smaller

municipalities. These factors combined with the fact that both informants from Førde mentioned hoarding as the price to pay for amalgamation, leads me to conclude that there existed a collective understanding that some hoarding was acceptable among the smaller municipalities ahead of the amalgamation. This finding is in line with Saarimaa and Tukiainen's (2015) theoretical explanation of hoarding as a means of compensating the loser(s) of an amalgamation and with Bråstein's (2018) finding that similar agreement occurred in the Lindesnes amalgamation.

Strategic hoarding

Jølster, Gaular and Naustdal hoarded, or attempted to hoard, in the aim of securing the long-term, local provision of core services for their citizenry. I refer to this as strategic hoarding. This was driven by a combination of imminent agency termination and a fear of being marginalised in the new municipality. Specifically, Bygstadhallen in Gaular, school and health investments in Jølster and the attempted construction of Friskhuset in Naustdal seem to be the main results of strategic hoarding in Sunnfjord. These findings match the empirical results of Bråstein (2018) and Borge and Tovmo (2020), who both find evidence that smaller Norwegian municipalities hoarded to secure the local presence of core services. The theoretical description of strategic hoarding is also well documented. See Saarimaa and Tukiainen (2015) and Askim et al. (2020).

Opportunistic hoarding

This is hoarding driven by the opportunity to internalise all the benefits of increased spending while shifting a share of the costs to the new municipality, i.e., to exploit the common pool. The interviews indicate an agreement in Jølster's municipal council to invest as much as possible before the amalgamation, particularly in the sports halls at Skei and Vassenden which, according to the sitting leader, they treated themselves to. Gaular may also have participated in opportunistic hoarding by failing to disclose the extent of Sande school's disrepair until after the amalgamation so that they could focus on Bygstadhallen instead. The evidence for this, however, is weaker. Opportunistic hoarding is well anchored in the most prevalent theoretical explanations of hoarding, notably in the law of 1/n (Weingast, Shepsle and Johnsen 1981).

Thus far, I have summarised three main findings which are in line with the existing literature on hoarding. In addition to these, my case study reveals four findings which, to my knowledge,

contribute to the literature and have the potential to generate new theoretical and empirical research on hoarding. I examine these findings below.

Institutional culture

Førde's apparent desire to perpetuate their cooperative, non-partisan culture in the new municipality suggests that cultural differences between amalgamating municipalities could be a determinant of hoarding and other outcomes. I suspect that two factors will be of particular importance for whether cultural differences affect the outcomes of an amalgamation. First is the extent of difference in institutional culture between the amalgamating municipalities. The more heterogeneous the amalgamating cultures, the more likely I expect undesirable outcomes of amalgamation to be. Second is the relative size of the amalgamating municipalities. If one municipality constitutes a large share of the total population, I think it is reasonable to assume that their culture is likely to prevail in the new municipality. On the other hand, if population is evenly distributed between the amalgamating municipalities, the outcome is likely more uncertain. Consequently, I expect cultural differences to be particularly likely to cause undesirable outcomes in amalgamations between culturally different municipalities of similar size. This could add some nuance to existing theories such as the law of $1/n$ (Weingast, Shepsle and Johnsen 1981) which predicts that relative size is the most important determinant of hoarding. If a proxy for cultural differences could be added to these models, it could increase their explanatory power. There is evidence from the corporate world to support this hypothesis. According to a report by McKinsey & Company, 25% of executives behind failed mergers cite cultural incompatibility as the primary cause of failure (Engert et al. 2019). Private corporations are different from public institutions, so these results are not directly transferable. Nevertheless, I expect the relationship between cultural differences and outcomes of amalgamations to be a fruitful area of future research.

Internal polarisation

I find that internal polarisation within amalgamating municipalities may affect their hoarding. The direction of the effect, however, is ambiguous. If the polarisation does not paralyse the effectiveness of the municipal council, I expect it to fuel hoarding due to lower levels of trust in the municipal council making them less likely to self-police. It could also fuel hoarding in the sense that an amalgamation provides an opportunity to invest more across a divide as seen in Jølster where they were able to build two sports halls – one in each village. On the other hand, internal polarisation could weaken the effectiveness of the municipal council through

internal conflict, making it difficult to execute hoarding in practice. In such a case, internal polarisation dampens hoarding. The study of the dynamics of polarisation and hoarding is suitable both for qualitative and quantitative research. As exemplified by my case study, interviews can be a suitable tool for describing polarisation. Quantitative observations of voting preferences at the parish level may also be powerful proxies for internal polarisation, as illustrated by figure 3. The main contribution of this insight is that a complete theory of hoarding should not consider all municipalities as uniform entities with one set of preferences, as in the law of $1/n$ (Weingast, Shepsle and Johnsen 1981). As shown in the case of Jølster, municipalities can have significant internal friction which can affect their actions. Consequently, considering all municipalities as unitary runs the risk of theoretical oversimplification.

Intertemporal hoarding

My case study reveals a new type of hoarding behaviour which I refer to as intertemporal hoarding. It consists of a municipality delaying investments in projects that the new municipality must prioritise after amalgamation in favour of less pressing investments before the amalgamation. By doing so, the municipality effectively secures both investments without having to increase its own cost before amalgamation. It hoards by forcing the new municipality to pay for a project which ~~can not~~ cannot be ignored. Interestingly, this type of hoarding is not fully explained by the definition of hoarding as spending beyond that which would otherwise have been spent (Askim et al. 2020, 325). Because intertemporal hoarding enables municipalities to shift project execution and cost into the future without risk, they can make it look as if they did not hoard before the amalgamation. On the other hand, the potential reversal of involuntarily amalgamated municipalities challenges this view. If there is a chance that amalgamation is reversed, this may dampen hoarding. If the magnitude of this type of hoarding is significant, it would mean that studies which only consider spending before the amalgamation underestimate the true extent of hoarding.

Peer comparison

My findings suggest that smaller municipalities may use a logic of peer comparison to determine hoarding. In Jølster's case, this took the form of a strategic comparative analysis of their neighbours' financial and infrastructural health compared to their own. When they found that their neighbours were in worse shape than them, they concluded that the neighbours were likely to be prioritised after the amalgamation. Consequently, Jølster decided to hoard. This

finding indicates that economic inequalities between amalgamating municipalities may contribute to hoarding. As in the case of Jølster, being relatively wealthy may drive hoarding through a fear of being ignored in the new municipality in favour of spending in the relatively poor municipalities to close the gap. There were also examples of a moral logic of comparison where informants legitimised their own policies by contrasting it with morally inferior actions by others. There is, however, a substantial risk that these findings are legitimising narratives constructed by the informants after the fact rather than true drivers of hoarding.

In conclusion, my case study reveals findings which could contribute to the existing theories of hoarding. I think cultural differences between municipalities and internal polarisation within municipalities are particularly promising topics of future research. Both insights suggest that the common pool explanation of hoarding which is typically used would benefit from the inclusion of cultural dynamics between municipalities and internal dynamics within them. This completes my analysis of hoarding in the Sunnfjord amalgamation. The next chapter concludes my thesis.

Chapter 8 – Conclusion

The empirical literature on hoarding is dominated by quantitative studies which test whether municipalities spend more when faced with amalgamation than they would otherwise. Although these studies clearly demonstrate that amalgamation does cause hoarding, they do not reveal *why* amalgamating municipalities choose to hoard or not. I aimed to analyse this underexplored facet of hoarding by asking the following research question:

How does municipal leadership legitimise the decision of whether to hoard ahead of an amalgamation?

To answer this, I conducted semi-structured interviews with a total of eight political leaders from Førde, Jølster, Gaular and Naustdal, the quartet of municipalities which became Sunnfjord municipality in 2020. My analysis reveals three main ways in which hoarding is legitimised in the interviews.

First, Førde who were the biggest participant in the amalgamation, wanted above all to ensure a successful amalgamation with which all four municipalities were happy. To achieve this, they saw hoarding among the smaller municipalities as a price to pay, and did not oppose it. Consequently, an understanding between the municipalities emerged that some hoarding was acceptable.

Second, the smaller municipalities cited the desire to ensure long-term local provision of core services for their citizenry while they still could as an important reason for hoarding. This manifested itself in a sports facility in Gaular as well as increased health and education initiatives in Jølster and Naustdal. The informants from Gaular explained that these investments were made to stimulate future settlement and growth.

Third, some informants explained hoarding as the result of the opportunity to internalise benefits of increased spending while sharing costs with the new municipality. The informants from Jølster described a strategy of investment maximisation which saw the construction of two indoor sports facilities.

In addition to providing the three main explanations of hoarding above, my interviews revealed two other interesting arguments. First, Førde's informants cited differences in institutional culture between the four municipalities as a complicating factor for the amalgamation process. This suggests that future research into hoarding and other outcomes of amalgamations should include cultural differences between the participating municipalities as an explanatory variable. Second, the interviews reveal that internal polarisation in Jølster contributed to the construction of two sports facilities, one in the west and one in the east. Gaular's informants also mentioned polarisation over which investment projects to prioritise. This is an interesting observation because it indicates that municipalities should not be theorised as units of homogenous preferences. In summary, my findings suggest that future studies of hoarding should consider the cultural differences between amalgamating municipalities and the polarisation within them as explanatory variables.

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Appendix A: The interview guide

The interview guides are identical for all four municipalities except section 10 and 11. The interview guide is presented below in whole for Førde municipality, and sections 10 and 11 for Jølster, Gaular and Naustdal are presented below this.

Interview guide

Innleiing

- Aller først har eg nokre generelle spørsmål om din bakgrunn som lokalpolitikar i Førde kommune. Du har jo vore aktiv i lokalpolitikken i fleire år no. Kva var hovudmotivasjonen din for å byrje med politikk?
 - *Eventuelt oppfølgingsspørsmål:* Var det enkelte saker i lokalsamfunnet som engasjerte deg på den tid?
- I løpet av dine år i Førde kommune, er det enkelte saker du hugsar spesielt godt?
 - *Eventuelt oppfølgingsspørsmål:* kva med saker som omhandlar investeringar de har gjennomført i kommunen?
 - Kan du fortelje om korleis prosessen var for dette prosjektet?
 - *Notat til meg sjølv:* Kor lang tid? Aktuelle aktørar? Utfordringar? Korleis prioriterte ein? Finansieringsmetode?
 - Vil du seie at dette var ein typisk prosess?
 - *Dersom nei:* kvifor ikkje? Kva var spesielt?

Kommunesamanslåinga

3. Viss vi no beveger oss over til samanslåinga. Kan du hugse når dette først vart eit tema i kommunen?
4. Om du hugsar tilbake til denne tida då de først høyrde snakk om samanslåing. Kva var dei store prosjekta de drøfta på den tida?
 - Opplevde du at beslutningsprosessen rundt desse prosjekta vart påverka av samanslåinga og i så fall korleis?
 - *Eventuelt oppfølgingsspørsmål:* Påverka dette korleis de for eksempel prioriterte mellom prosjekt?

- *Notat til meg sjølv:* Kom andre saker opp i lyset? Vart enkelte prosjekt framskynda/utsett? Vart enkelte prosjekt prioritert opp med meir midlar, medan andre vart prioritert ned?
5. Tidlegare snakka vi om korleis ein typisk planla og gjennomførte investeringar i Førde kommune før samanslåinga. Vil du seie at denne beskrivinga også var representativ for korleis de jobba med investeringar etter samanslåinga vart kjent?
- *Dersom nei:* kva vil du seie var den største forskjellen?
6. Viss du tenker tilbake til denne tida før samanslåinga. La oss seie dei 2-3 siste åra. Kan du hugse kva som var særleg viktig for Førde kommune i denne perioden?
- *Eventuelle oppfølgingsspørsmål:* Med tanke på innbyggjarane i Førde kommune. Det var jo mykje engasjement knytt til samanslåinga både i form av folkemøter, oppslag i lokalavisa og ikkje minst på sosiale medium.
 - Opplevde du at dette påverka kommunen og i så fall korleis?
 - Med tanke på investeringar spesifikt. Opplevde de forventingar frå innbyggjarane på dette? I så fall, på kva måte?
 - Var det andre aktørar de følte forventingar frå?

Fellesnemnda

7. I 2017 vart det oppretta ei fellesnemnd for dei fire kommunane.
- Kan du fortelje litt om kva intensjonen med fellesnemnda var, og kva som var viktig for din kommune i denne settinga?
 - Med tanke på investeringsplanar – var dei enkelte kommunar sine planar eit samtaleemne i fellesnemnda?
 - *Eventuelle oppfølgingsspørsmål:*
 - Jobba de med å samordne desse planane eller var det opp til kvar enkelt kommune?
 - Opplevde du at diskusjonar i fellesnemnda påverka korleis de i Førde kommune planla investeringar?
 - Påverka dei andre tre kommunane sine investeringsplaner korleis Førde kommune avgjorde sine investeringar?
8. Viss du tenkjer tilbake til denne tida før samanslåing. Tenkte du då at dei andre kommunane burde ha rett til å meine noko om Førde sine investeringar?

- Og vice-versa. Hadde Førde rett til å meine noko om dei tre andre sine investeringsplanar fram mot samanslåing?

Førde-kommune

9. I Førde kommune ser man at det har vore ei satsing på idrett, kultur og infrastruktur i dei siste åra før samanslåinga i 2020.

- Kan du fortelje litt om omstenda rundt vala av desse prosjekta?
- Trur du at dette er investeringar som hadde blitt prioritert etter samanslåinga?
- Trur du at dette er investeringar som hadde blitt gjennomført i same tidsperiode sjølv utan kommunereforma?

Finansiering

10. I følgje rekneskapsdata frå SSB ser det ut som at de i Førde kommune i stor grad finansierte dei auka investeringane med eigenkapital (fond) i åra fram mot samanslåing. Kan du fortelje om avgjerdsla om å selje fond for å finansiere desse prosjekta i 2019?

- *Eventuelt oppfølgingsspørsmål:* Var sal av fond ein vanleg måte å finansiere på før samanslåinga var bestemt eller vart dette gjort i større grad etter avgjersla om samanslåinga var teken?

Avslutning

11. Då har eg kome igjennom spørsmåla mine.

- Er det noko meir du ynskjer å utdjupe eller viktig informasjon du føler har blitt utelatt?
- Då ynskjer eg å takke for intervjuet. Dersom eg undervegs i arbeidet opplever noko som uklart, kan eg få lov til å ta kontakt på telefon på eit seinare tidspunkt?

Jølster kommune

10. I Jølster kommune ser man at det har vore ei satsing på helse og idrett i dei siste åra før samanslåinga i 2020.

- Kan du fortelje litt om omstenda rundt vala av desse prosjekta?
- Trur du at dette er investeringar som hadde blitt prioritert etter samanslåinga?
- Trur du at dette er investeringar som hadde blitt gjennomført i same tidsperiode sjølv utan kommunereforma?

11. I følgje rekneskapsdata frå SSB ser det ut som at de i Jølster kommune i stor grad finansierte dei auka investeringane med eigenkapital (fond) i åra fram mot samanslåing. Kan du fortelje om avgjerdsla om å selje fond for å finansiere desse prosjekta i 2019?

- *Eventuelt oppfølgingsspørsmål:* Var sal av fond ein vanleg måte å finansiere på før samanslåinga var bestemt eller vart dette gjort i større grad etter avgjersla om samanslåinga var teken?

Gaular kommune

10. I Gaular kommune ser man at det har vore ei satsing på utvikling og idrett i dei siste åra før samanslåinga i 2020.

- Kan du fortelje litt om omstenda rundt vala av desse prosjekta?
- Trur du at dette er investeringar som hadde blitt prioritert etter samanslåinga?
- Trur du at dette er investeringar som hadde blitt gjennomført i same tidsperiode sjølv utan kommunereforma?

11. I følgje rekneskapsdata frå SSB ser det ut som at de i Gaular kommune i stor grad finansierte dei auka investeringane med eigenkapital (fond) i åra fram mot samanslåing. Kan du fortelje om avgjerdsla om å selje fond for å finansiere desse prosjekta i 2019?

- a. *Eventuelt oppfølgingsspørsmål:* Var sal av fond ein vanleg måte å finansiere på før samanslåinga var bestemt eller vart dette gjort i større grad etter avgjersla om samanslåinga var teken?

Naustdal kommune

10. I Naustdal kommune ser man at det har vore ei satsing på helse i dei siste åra før samanslåinga i 2020.

- Kan du fortelje litt om omstenda rundt vala av desse prosjekta?
- Trur du at dette er investeringar som hadde blitt prioritert etter samanslåinga?
- Trur du at dette er investeringar som hadde blitt gjennomført i same tidsperiode sjølv utan kommunereforma?

11. I følge rekneskapsdata frå SSB ser det ut som at de i Naustdal kommune i stor grad finansierte dei auka investeringane med eigenkapital (fond) i åra fram mot samanslåing. Kan du fortelje om avgjerdsla om å selje fond for å finansiere desse prosjekta i 2019?

- a. *Eventuelt oppfølgingsspørsmål:* Var sal av fond ein vanleg måte å finansiere på før samanslåinga var bestemt eller vart dette gjort i større grad etter avgjerdsla om samanslåinga var teken?

Appendix B: The information letter

Vil du delta i forskingsprosjektet

«Kommunale investeringar under kommunereforma» ?

(arbeidstittel)

Dette er eit spørsmål til deg om å delta i eit forskingsprosjektet kor formålet er å undersøkje om kommunereforma har hatt innverknad på kommunar sin økonomiske åtferd. I dette skrivet får du informasjon om måla for prosjektet og kva deltaking vil innebere for deg.

Formål

Studien sitt formål er å undersøkje om kommunereforma har hatt innverknad på norske kommunar sin økonomiske åtferd. Den vil ha særleg fokus på effekten av samanslåinga på kommunar sine investeringsavgjersler. Prosjektet er eit masterprosjekt ved Universitetet i Bergen, Institutt for administrasjon og organisasjonsvitskap, tilknytt forskargruppa Politisk organisering og fleirnivåstyring.

Kven er ansvarleg for forskingsprosjektet?

Universitetet i Bergen er ansvarleg for prosjektet.

Kvifor får du spørsmål om å delta?

Sunnfjord kommune er valt som case grunna eigenskaper ved denne samanslåinga (at fire kommunar slo seg saman og størrelseforholdet mellom desse fire). Di rolle og dine perspektiv som ein sentral person i kommuneleiinga til (Sett inn kommunenamn) kommune er dermed svært interessant for denne studien. Eg håpar du ynskjer å delta.

Kva inneberer det for deg å delta?

Dersom du vel å delta i prosjektet, inneber det eit intervju som vil vare i omtrent 30-45 minutt. Spørsmåla i intervjuet vil i hovudsak handle om din kjennskap til korleis (Sett inn kommunenamn) kommune vart styrt i åra fram mot samanslåing. Det er dermed ikkje nødvendig med førebuingar.

Det vil bli tatt notat frå intervjuet. Det er også ynskjeleg med lydopptak av intervjuet slik at informasjonen eg får skal kunne bli attgjeve korrekt. Dersom du vel å delta, kan du velje å avstå frå å svare på enkeltspørsmål i løpet av intervjuet.

Det er frivillig å delta

Det er frivillig å delta i prosjektet. Dersom du vel å delta, kan du når som helst trekkje samtykket tilbake utan å gje nokon grunn. Alle dine personopplysningar vil då bli sletta. Det vil ikkje ha nokon negative konsekvensar for deg dersom du ikkje vil delta eller seinare vel å trekkje deg.

Ditt personvern – korleis vi oppbevarer og bruker dine opplysningar

Vi vil berre bruke opplysningane om deg til formåla vi har fortalt om i dette skrivet. Vi behandlar opplysningane konfidensielt og i samsvar med personregelverket. Både eg og min rettleiar vil ha tilgang til opplysningane fram til prosjektet er avslutta.

Dine personopplysningar vil ikkje bli nemnt i studien, men ditt politiske verv og tidsrommet du har hatt det i vil kunne vere identifiserande.

Kva skjer med opplysningane dine når vi avsluttar forskingsprosjektet?

Opplysningane blir sletta når prosjektet avsluttast/oppgåva er godkjent, noko som etter planen er 31.12.21.

Dine rettigheitar

Så lenge du kan identifiserast i datamaterialet, har du rett til:

- innsyn i kva for nokre personopplysningar som er registrert om deg, og å få utlevert ein kopi av opplysningane,
- å få retta personopplysningar om deg,
- å få sletta personopplysningar om deg, og
- å sende klage til Datatilsynet om behandlinga av dine personopplysningar.

Kva gir oss rett til å behandle personopplysningar om deg?

Vi behandlar opplysningar om deg basert på ditt samtykke.

På oppdrag frå Universitetet i Bergen har NSD – Norsk senter for forskningsdata AS vurdert at behandlinga av personopplysningar i dette prosjektet er i samsvar med personvernregelverket.

Kvar kan eg finne ut meir?

Dersom du har spørsmål til studien, eller ynskjer å nytte deg av dine rettigheitar, ta kontakt med:

- meg på e-post silje.loseth@uib.no eller telefon: 482 49 011
- min rettleiar ved Universitetet i Bergen: Professor Jacob Aars via e-post jacob.aars@uib.no eller telefon 55 58 20 45
- Vårt personvernombud: Janecke Helene Veim via e-post janecke.veim@uib.no eller telefon 55 58 20 29

Dersom du har spørsmål knytt til NSD si vurdering av prosjektet, kan du ta kontakt med:

- NSD – Norsk senter for forskningsdata AS på e-post (personverntjenester@nsd.no) eller på telefon: 55 58 21 17.

Med venleg helsing

Professor Jacob Aars
(Forskar/rettleiar)

Silje H. Løseth
(student)

Samtykkeerklæring

Eg har motteken og forstått informasjon om prosjektet «*Kommunale investeringar under kommunereforma*» og har fått anledning til å stille spørsmål. Eg samtykkjer til:

- å delta i intervju
- at opplysningar om politisk verv publiserast slik at eg kan bli kjent att

Eg samtykkjer til at mine opplysningar behandlast fram til prosjektet er avslutta

(Signert av prosjektdeltakar, dato)

Appendix C: My translations of the informants' quotes

Sitting leader, Førde municipality

Quote in Norwegian	My translation
Vi [Førde kommune] skulle ikkje auke gjelda vår. Vi skulle drive på den måten at vi la opp til eit visst, kall det overskot, i kommunale terminologiar heiter det mindreforbruk, som vi skulle setje av kvart år inn på eit fond. Og desse pengane i saman med avdraga vi betalte på eksisterande lån skulle til saman vere den summen vi kunne gjere nyinvesteringar med.	We [Førde municipality] were not to increase our debt. We were to operate in a way which facilitated us having a certain, call it surplus, in municipal terminologies it is called underspending, which we should set aside each year into a fund. And that money in addition to the instalments we paid on existing loans, should together be the total sum that we could make new investments with.
Vi hadde vår økonomiplan, vi hadde vårt gjeldstak. Eg trur ikkje at ein kan seie at Førde kommune sitt investeringsbudsjett eller drift vart særleg endra som følge av kommunesamanslåinga. Vi hadde ein velordna, god økonomi. Vi brukte ikkje meir pengar enn det vi hadde gjort uansett.	We had our financial plan, we had our debt ceiling. I do not think one can say that Førde municipality's investment budget or its operations were particularly changed because of the amalgamation. We had well-ordered, good finances. We did not spend more money than we would have anyways
Her har du på den eine sida eit ansvar for å leggje til rette for at ein skal ha ein god og velordna økonomi i den nye kommunen, der ein har tilbod og investeringar som heng saman i ein større kommune. Det har du på den eine sida, men på den andre sida så har du jo det at kommunane beholdt sin autonomi. Dei var jo sjølvstyrande heilt fram til ei samanslåing (...). Som storebror vil du jo kanskje vere forsiktig med å leggje deg opp i kva dei andre kommunane gjorde (...).	On the one hand you have a responsibility to facilitate good and well-ordered finances in the new municipality where one has services and investments which are coherent in the larger municipality. You have that on the one hand, but on the other hand you have the fact that the municipalities kept their autonomy. They were self-governing all the way up until the amalgamation (...). As the big brother you might want to be careful with interfering in what the other municipalities did (...). Maybe

<p>Kanskje må ein til og med akseptere at det i slike situasjonar kanskje blir gjort litt større investeringar enn det dei andre kommunane hadde gjort hadde det ikkje vore for kommunesamanslåinga. (...) Dette er ein veldig vanskeleg balansegang for det gjeld på ein måte å prøve å få til ei kommunesamanslåing, som jo i utgangspunktet er ein veldig utfordrande prosess (...). Dersom du lager deg for mange utfordringar, så kan det gå ut over det totale, og totaliteten er òg viktig å tenke på, altså at du greier å gjennomføre samanslåinga på ein positiv måte.</p>	<p>you even have to accept that in these situations there may be somewhat bigger investments than what the other municipalities would have done if it were not for the municipal amalgamation (...). This is a very difficult balancing act because it is in one way about trying to achieve an amalgamation which is a very challenging process in the first place (...). If you create too many challenges then it can affect the whole, and the entirety is also important to think of, namely that you manage to complete the amalgamation in a positive way.</p>
<p>Drivaren for å slå saman kommunane var nok ideen om at ein stor og meir kraftig kommune ville kunne sikre tenestene. Og ikkje minst vere ein endå sterkare utviklingsaktør, og ein som kunne la si stemme høyre både mot Bergen og mot Oslo.</p>	<p>The driver behind amalgamating the municipalities was probably the idea that a bigger and more powerful municipality could ensure services. And not least be an even stronger development player, and one whose voice could be heard both towards Bergen and towards Oslo.</p>
<p>Eg er klar over at det å vere størst, i det ligg det eit veldig stort ansvar og ei stor forplikting, og eg trur ikkje at vi som er størst alltid forstår korleis vi blir sett utanfrå.</p>	<p>I am aware that being the largest, therein lies a very great responsibility and a great obligation, and I do not think that we who are the largest always understand how we are seen from the outside.</p>
<p>Vi var veldig bevisste på at vi i heile denne perioden skulle ha eit språk og ein måte å snakke på som var inkluderande, der vi ikkje snakka om at det var ein slags innlemming i Førde [kommune], men at det var ei samanslåing av fire sjølvstendige kommunar.</p>	<p>We were very aware that throughout this period we should have a language and a way of speaking which was inclusive, where we did not talk about it being a kind of incorporation into Førde [municipality], but that it was an amalgamation of four autonomous municipalities.</p>

Opposition leader, Førde municipality

Quote in Norwegian	My translation
Nei, det må eg med handa på hjartet seie at politikarane i Førde [kommune] var veldig tru mot økonomiplanen. Vi endra ikkje eller hosta opp nye prosjekt for å få dei ferdigstilt før kommuneprosessen.	No, with my hand on my heart, I must say that the politicians in Førde [municipality] were loyal towards the financial plan. We did not change or come up with new projects to have them finished before the municipal process.
Det kan vere at det var litt frykt, spesielt for vi som var storebror, for å begynne allereie før vi vart formelt slått saman, å blande oss inn i kva dei [Jølster, Gaular og Naustdal kommune] skulle bruke sine pengar på.	There may have been some fear, especially for us who were the big brother, to start meddling in what they [Jølster, Gaular and Naustdal municipality] should spend their money on, already before we were formally amalgamated.
Hallane i Jølster var kanskje det vi måtte betale for å få til ei kommunesamanslåing, tenkjer eg.	The sports halls in Jølster were maybe what we had to pay to achieve an amalgamation, I think.

Sitting leader, Jølster municipality

Quote in Norwegian	My translation
Dette er investeringar [hallane på Skei og Vassenden] som antakeleg ikkje hadde kome i stand, i alle fall ikkje så fort, viss det ikkje hadde låge føre ei kommunesamanslåing. Dette vart pressa igjennom.	These are investments [the halls at Skei and Vassenden] which probably would not have come about, at least not so quickly, if there had not been a municipal amalgamation. I can be quite honest about that. These were pushed through.
Vi var ikkje motiverte på investeringar før folkeavrøystinga sa 51% for kommunesamanslåing.	We were not motivated for investments until the referendum said 51% pro-amalgamation.

<p>Oppteken av at vi skulle gjere flest mogelege investeringar så lenge vi kunne det.</p>	<p>Concerned that we should make as many investments as possible for as long as we could.</p>
<p>Vi såg at vi hadde ikkje så høg lånegjeld som naboane vi skulle slå oss saman med, samtidig som vi hadde nokre inntekter som naboane vi skulle slå oss saman med ikkje hadde, og det var desse kraftinntektene.</p>	<p>We saw that we did not have as high a loan debt as the neighbours we were to amalgamate with, at the same time as we had some income which the neighbours we were to amalgamate with did not have, and that was these hydroelectric power revenues.</p>
<p>Det vi gjorde var at vi investerte i primærtenester. Det var barnehage, skule, omsorg. Det var dei unge, det var dei eldre, det var dei svake gruppene. Det var der vi brukte pengar. Derfor kunne vi på ein måte unne oss noko luksus på slutten og byggje desse hallane for frivilligheita.</p>	<p>What we did was that we invested in primary services. It was kindergarten, school, care. It was the young, it was the elders, it was the weak groups. That was where we spent money. Therefore, we could in a way treat ourselves at the end and build these halls.</p>
<p>Gaular bygde idrettshallen først, og så rotta skulen. Her [i Jølster kommune] har vi faktisk gjort det i rett rekkefølge etter mi meining.</p>	<p>Gaular first built the sports hall, and then the school [at Sande] rotted. Here [in Jølster municipality] we have in my opinion actually done it in the right order.</p>
<p>Vi hadde eit investeringsfond som vi hadde bygd opp på kraftinntekter, og dette brukte vi jo aktivt. Og eg hadde jo ikkje, no må eg svare for meg sjølv, eg hadde i alle fall ikkje noko intensjon om å ta med meg eit investeringsfond inn i den nye kommunen.</p>	<p>We had an investment fund which we had built up on power revenue and we used it actively. And I had no, now I must answer for myself, I had certainly no intention of bringing an investment fund into the new municipality.</p>
<p>Så er vi litt todelte. Vi kan ikkje byggje ein hall på Skei utan å byggje ein hall på Vassenden, og vice versa. Så då falt vi ned på at vi skulle byggje to hallar.</p>	<p>Then we are a little bit divided. We cannot build a hall at Skei without building a hall at Vassenden, and vice versa. So then we decided that we should build two halls.</p>

Opposition leader, Jølster municipality

Quote in Norwegian	My translation
Hadde vi ikkje hatt ei samanslåing med Sunnfjord, der Sunnfjord har rygg til å ta konsekvensane av dei handlingane der, så hadde nok Jølster kommune hatt store økonomiske problem i dag.	Had we not had an amalgamation with Sunnfjord, where Sunnfjord has the spine to take the consequences of those actions, Jølster municipality would probably have had large financial problems today.
Dette [hallane på Skei og Vassenden] var for å få noko til før ein mista råderetten.	This [the halls at Skei and Vassenden] was to achieve something before one lost the right of disposal.
Kontoane var tomme når vi gjekk til Sunnfjord.	The accounts were empty when we went to Sunnfjord.
Opphavleg så var vedtaka ganske greie, men så vart vedtaka justert der man etter mi meining gjekk inn og justerte ned vedtaket på Vassenden for å flytte pengane til Skei. Og det er nok prega av samansetninga av kommunestyret.	Originally, the decisions were quite alright, but then the decisions were adjusted where, in my opinion, one went in and reduced the allocation at Vassenden to move the money to Skei. And this is probably affected by the composition of the municipal council.

Sitting leader, Gaular municipality

Quote in Norwegian	My translations
Det var jo veldig lenge fleirtal mot kommunesamanslåing i Gaular kommune fordi folk opplevde dei hadde gode tenester, og vi opplevde at vi kunne styre kommunen vår godt og så var man litt usikker på kva man ville få.	For a very long time, there was a majority against amalgamation in Gaular municipality because people felt they had good services, and we experienced that we could manage our municipality well and then one was a little unsure of what one would get.
Grunnen til at den [Bygstadhallen] ikkje vart dratt i gang tidlegare er jo at du må ha nokre eldsjeler, som kan ta tak i prosjektet og jobbe med det, ikkje sant. Du må ha nokon ressursar som kan starte opp ulike prosjekter. For elles så blir det jo ingenting av noko.	The reason why it [Bygstadhallen] was not started earlier is that you must have some passionate individuals who can take the project and work on it, right. You must have some resources that can start different projects. Otherwise, nothing will come about.
Sjølvsagd skulle vi for eksempel ha gjort noko med Sande skule kanskje litt tidlegare, men vi gjorde jo tross alt ein veldig stor oppgradering på 36 millionar kroner i 2015, så det var jo eit godt tiltak det òg, kan du seie. Men alle skulane i Gaular [kommune] vart fortløpande oppgradert med MÅ-tiltak som var vedtatt i tråd med tilstandsrapporten vi fekk utarbeida i 2018.	Of course, for example, we should have done something with Sande school maybe a little earlier, but we did after all do a very large upgrade of 36 million kroner in 2015, so that was a good measure, you can say. But all the schools in Gaular [municipality] were continuously upgraded with indispensable measures that were adopted in line with the condition report we commissioned in 2018.
Sånn som med dei andre kommunane så har det jo vore ein del etterslep på vedlikehald av dei kommunale bygningane. Det gjeld jo alle kommunane i nye Sunnfjord.	As with the other municipalities, there has been quite a lot of backlog on maintenance of the municipal buildings. This applies to all municipalities in the new Sunnfjord.
Oppteken av at man skulle legge til rette for vekst og utvikling i heile kommunen.	Concerned with facilitating growth and development in the entire municipality.

Vi [Gaular kommune] gjorde dei tiltaka som var nødvendige for sikkerheita, og for å sikre vekst og tilflytting i vår del av kommunen.	We [Gaular municipality] took the measures which were necessary for security, and to ensure growth and relocation in our part of the municipality.
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Opposition leader, Gaular municipality

Quote in Norwegian	My translations
Den [Bygstadhallen] var påverka i den forstand at den vart veldig framskynda. No er vi herre i eige hus og det var viktig å få dette til, for kjem du inn i Storsunnfjord så vil du aldri få den hallen.	It [Bygstadhallen] was affected in the sense that it was very accelerated. Now we are masters of our own house and it was important to make this happen, because if you come into big Sunnfjord you will never get that hall.
Vi kan ha så mange intensjonar vi vil og ikkje vil, men det er eit fleirtalsvedtak som skal til, så er det endra på. Så det er opp til politikarane å ære dei som var før oss og kva dei har vedtatt og ikkje.	We can have as many intentions as we want and do not want, but it is a majority decision which is needed, then it is changed. So it is up to the politicians to honour those who were before us and what they have decided and not.
Nei, det var ikkje ein vanleg måte å finansiere på. Ein skulle sette ting i stand før ein skulle inn i ein ny kommune. Det var viktig, følte vi, å gjere det sånn for å sørje for at vi fekk vår del av kaka.	No, it was not a common way to finance. One should put things in order before one went into a new municipality. It was important, we felt, to do it that way to make sure we got our share of the cake.
Du kan seie kva du vil, men ein sånn investering [Bygstadhallen] tar pengar frå budsjettet (...), og det gjekk jo så klart utover Sande Skule.	You can say what you want, but such an investment [Bygstadhallen] takes money from the budget (...), and of course it came at the expense of Sande school.
Det er jo den effekten vi på Bygstad var på jakt etter, å sikre skulen og barnehagen med ein sånn hall.	That is the effect we at Bygstad were looking for, to secure the school and kindergarten with such a hall.

Den store forskjellen var at engasjementet [for Bygstadhallen], det var nok delt ut i bygdene. Det var ikkje det heilt store engasjementet på Sande for der ville dei kjempe for skulen på Sande.	The big difference was that the engasjement [for Bygstadhallen], it was probably distributed in the villages. It was not the great engasjement at Sande because there they would fight for the school at Sande.
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Sitting leader, Naustdal municipality

Quote in Norwegian	My translation
Når det gjeld storinvestering som vi svært gjerne kunne tenkt oss å ha hatt på plass før kommunesamanslåing. Det var jo sjølvsagt Frisksenteret.	When it comes to large investments that we would very much have liked to have had in place before the municipal amalgamation. Then it was of course Frisksenteret.
Vi var inne og såg på mange, mange alternativ. Vi jobba veldig intenst med den [Frisksenteret]. Vi hadde nok ikkje seld aksjar, men vi hadde jo det òg i tankane våre for å klare å realisere.	We looked at many, many alternatives. We worked very intensely with it [Frisksenteret]. We probably would not have sold shares, but it was in our thoughts, in order to be able to realise it.
Frisksenteret, ja, det trur eg nok at hadde kome [etter samanslåinga], men det er slett ikkje sikkert. Mange innbyggjarar, også dei på legesenteret, var jo bekymra for at, altså Førde har jo Noreg sitt største legesenter, at alt skulle flyttast inn der.	Frisksenteret, yes, I think that would have come about [after the amalgamation],, but it is not at all certain. Many residents, including those at the medical centre, were worried that, Førde has the largest medical centre in Norway, that everything would be moved there.

Opposition leader, Naustdal municipality

Quote in Norwegian	My translation
Naustdal kommune har aldri hatt god økonomi for å seie det slik.	Naustdal municipality has never had good finances to put it that way
Det var nokre som ikkje såg noko anna moglegheit [enn samanslåing], og det gjaldt mest for økonomi, at Naustdal ikkje kunne greie seg aleine.	There was some who did not see any other possibility [than amalgamating], and it was mostly about finances, that Naustdal could not manage alone.

Det som er heilt klart, det er at folkerøystinga var avgjerande, for eg trur nok faktisk at det nesten var eit fleirtal i kommunestyret som kunne sagt nei til kommunesamanslåing.	What is quite clear is that the referendum was decisive, because I probably believe that there was almost a majority in the municipal council, which could have said no to the municipal amalgamation.
Ein skulle ikkje selje dette [aksjar] ut når ein skulle gå inn i ein ny kommune.	One should not sell this [shares] when one is about to enter a new municipality.
Prosesen med Frisksenteret var ikkje ein ordinær prosess.	The process with Frisksenteret was not an ordinary process.
Det var ein viss redsel for at i ein større kommune ville ein ikkje bli prioritert.	There was a certain fear that in a larger municipality one would not be given priority.
For å seie det slik så er det storebror [Førde kommune] som må vere litt raus. Det trur eg er eit vesentleg fundament for dette her [kommunesamanslåinga].	To put it this way, it is the big brother [Førde municipality] who must be a little generous. I think this is a vital foundation for this [the amalgamation].

Appendix D: My translations of references

Number	Original quote	My translation
1	(...) kan ta selvstendige valg og beslutninger, og alle begrensninger som nasjonale myndigheter kan tenke seg å pålegge kommunene, må ha hjemmel i en lov.	(...) make independent choices and decisions, and all restrictions that national authorities may intend to impose on the municipalities must be based in law.
2	På den ene siden er alt kommunene driver med, avledet statsmakt. Stortinget – den logivende og bevilgende makt – definerer hva kommunene skal gjøre (...). I juridiske termer sier vi at kommunenes myndighet er <i>negativt avgrenset</i> , det vil si at de fritt kan ta på seg oppgaver som ikke er definert av staten, men at de <i>må</i> utføre oppgaver som er eksplisitt definert fra statlig hold. Slik sett er kommunene en integrert del av den norske nasjonalstaten. På den andre siden har kommunene også en lovmessig garantert frihet, både ved at de skal betraktes som selvstendige rettssubjekter, at de styres av organer som er direkte valgt og altså ikke utpekt av statlig nivå, og (...) ved at de har selvstendige inntekter og dermed en egen økonomi. Dette gir dem både en legal, en demokratisk og en økonomisk frihet fra staten.	On the one hand, everything the municipalities do is derived from state power. The Parliament – the legislative and approving power – defines what the municipalities should do (...). In legal terms, we say that the municipalities' authority is <i>negatively limited</i> , which is to say that they are free to <i>take on</i> tasks which are not defined by the state, but that they <i>must</i> carry out tasks which are explicitly defined by the state. In this way, the municipalities are an integral part of the Norwegian nation state. On the other hand, the municipalities also have a legally guaranteed freedom, both in that they are to be regarded as independent legal entities, that they are governed by bodies which are directly elected and thus not designated by the state level (...), and that they have independent revenues and thus a separate economy. This gives them both a legal, a democratic and an economic freedom from the state.
3	(...) det som finner sted i norske kommuner, har stor betydning for den enkelte innbygger.	(...) what takes place in Norwegian municipalities is of great importance to the individual inhabitant.
4	(...) å løse en oppgave eller produsere og yte en tjeneste.	(...) solve a task or produce and provide a service.
5	De siste femti årene har kommunene fått mange nye oppgaver. Samtidig har ansvaret	In the last fifty years, the municipalities have been given many new tasks. At the same time,

	for mange oppgaver blitt flyttet fra folkevalgte organer til interkommunale samarbeid. Et omfattende interkommunalt samarbeid svekker etter departementets syn lokaldemokratiet. Når viktige beslutninger flyttes fra folkevalgte organer til interkommunale samarbeider, kan det som konsekvens gi en mer kompleks forvaltning og svekker den folkevalgte styringen og kontrollen med virksomheten.	the responsibility for many tasks has been shifted from elected bodies to intermunicipal cooperation. In the Ministry's view, an extensive municipal cooperation weakens local democracy. When important decisions are moved from elected bodies to intermunicipal cooperation, it can consequently lead to a more complex administration and it weakens the elected governance and operational control.
6	Generalistkommuneprinsippet er et utgangspunkt for reformen. Som et generelt prinsipp skal reformen legge et grunnlag for at alle kommuner skal løse sine lovpålagte oppgaver selv. Kommunestrukturen skal legge til rette for en enhetlig og oversiktlig forvaltning.	The Generalist Municipal Principle is a starting point for the reform. As a general principle, the reform should lay the groundwork for all municipalities to fulfil their statutory tasks themselves. The municipal structure shall facilitate uniform and transparent management.
7	(...) enkeltkommuner ville stanse endringer som var hensiktsmessige ut fra regionale og nasjonale hensyn.	(...) individual municipalities wished to stop changes which were appropriate based on regional and national considerations.
8	(...) gjennomfører uheldige økonomiske disposisjonar og strategiske tilpassingar i forkant av kommunereforma.	(...) implement unfortunate economic dispositions and strategic adjustments in advance of the municipal reform.
9	Stortinget ber regjeringen legge til grunn at fremtidige endringer i kommunestrukturen ikke skal omfatte kommuner hvor kommunestyret, eller innbyggerne i en folkeavstemning, har gått imot kommunesammenslutning.	Parliament asks the Government to assume that future changes in the municipal structure will not include municipalities where the municipal council, or the inhabitants in a referendum, have opposed municipal amalgamation
11	Selv om det i mandatet sto at utvalget på "fritt grunnlag" skulle utvikle kriterier for god kommunestruktur, inneholdt også mandatet en ganske klar definisjon av hva problemet var: mange norske kommuner var for små, og interkommunalt samarbeid var ikke en fullgod løsning på dette problemet.	Although the mandate stated that the committee on a "free basis" should develop criteria for good municipal structure, the mandate also contained a fairly clear definition of what the problem was: many Norwegian municipalities were too small, and intermunicipal-cooperation was not a good solution to this problem.

12	(...) uklart hvilke nabokommuner innbyggerne skulle ta stilling til sammenslåing med.	(...) unclear which neighbouring municipalities the voters should take a position on amalgamating with.
13	(...) gi assosiasjoner til at kommunene sløser penger før sammenslåing	(...) give association to the municipalities wasting money before amalgamating.