

# Networking for Local Agenda 21 implementation: Learning from experiences with *Udaltalde* and *Udalsarea* in the Basque autonomous community

José M. Barrutia, Itziar Aguado, Carmen Echebarria \*

*Faculty of Economics and Business Administration, University of the Basque Country (Spain),  
Av. Lehendakari Agirre, n. 83, 48015 Bilbao, Bizkaia, Spain*

Received 1 January 2006; received in revised form 19 May 2006

## Abstract

Local Agenda 21 (LA21) is widely regarded as a key tool for implementing sustainability policies since local authorities are closer to ordinary people and some local managers and politicians have the ability to adapt organisations to new managerial atmospheres and social demands. However, local governments tend to lack the right economic, human and knowledge resources. Consequently, in the search for local sustainable development, networking and collaborative approaches to LA21 can help local authorities save resources and share knowledge and best practices. Although both research and politicians have tended to focus on LA21, we believe Regional Agenda 21 (RA21) needs to be emphasised as a complementary tool. This paper examines successful innovative practices in the Basque Autonomous Community (BAC) over a 4-year period, with a view to shedding light on the theoretical literature and to aiding regional and local authorities. Although research on policy networks has produced useful results, we are still some way from a plausible, consensus-based theory of policy networks. Based on experience in the BAC, the present article offers an integrated approach to understanding the antecedents and consequences of a regional knowledge-driven network for LA21 promotion. Although LA21 implementation has been studied before, evidence about networking at regional level is scarce. Other regions in developing countries could use this approach to achieve successful policy networks.

© 2006 Elsevier Ltd. All rights reserved.

*Keywords:* Local sustainable development; Local Agenda 21; Regional Agenda 21; Environmental policy; Local government; Networking

## 1. Introduction

Despite broad acceptance of the concept of sustainable development (SD) (WCED, 1987) and of its relevance, implementation of SD is still at the infancy stage. What came to be known as Agenda 21 (A21) represented a crucial step forward for the genuine application of SD philosophy. A21 is a worldwide work plan, proposing a series of policies on a whole range of SD-related areas (United Nations, 1992), which was adopted at the Earth Summit held in Rio

de Janeiro (Brazil, June 1992). Subscribed to by many countries, this action plan seeks to address environment and development issues through new forms of involvement and co-operation (Pellizzoni, 2001). As Meister and Japp (1998) affirm, “the United Nations’ discourse of Sustainable Development found in Agenda 21 promises quality-of-life improvement”.

Nevertheless, A21 was not incorporated into the strategies and action plans of many Institutions until the end of the 1990s or the early 2000s. And today significant gaps can still be detected in the planning and real implementation of the actions contemplated in the plans. In fact, the IIED (International Institute for Environment and Development) subjected national SD strategies to study, in various

\* Corresponding author.

*E-mail addresses:* [josemaria.barrutia@ehu.es](mailto:josemaria.barrutia@ehu.es) (J.M. Barrutia), [itziar.aguado@ehu.es](mailto:itziar.aguado@ehu.es) (I. Aguado), [carmen.etxebarria@ehu.es](mailto:carmen.etxebarria@ehu.es) (C. Echebarria).

documents (e.g. Dalal-Clayton and Bass, 2000), and identified five problems in the focuses employed: (1) a dominance of the environmental focus over economic and social aspects; (2) a bureaucratic focus geared more to the drawing up of plans than to actively launching processes; (3) an ignorance of future needs; (4) weak stakeholder participation and, consequently, (5) little connection with real problems. In addition, the IIED points to the need to steer away from the publication of new documents and plans and to prioritise implementation, taking into consideration the singularities that exist in each territory and creating the necessary skills for such a purpose.

The relevance of the geographical factor was recognised also for the first time in the A21 ambit, a specific chapter being set aside to LA21. Within the general A21 framework of sustainability policies, local authorities emerged as the most suitable level of government to set up such actions, largely because of their proximity to people and the ability of some managers and politicians to adapt organisations to new managerial atmospheres and social demands. Local authorities have been described as key agents in visioning and implementing sustainability (Krueger and Agyeman, 2005).

However, LA21 still encounters serious practical difficulties in implementation (see e.g. Echebarria et al., 2004; Houghton, 2005). Most local authorities lack the dimension required to provide the economic, human and knowledge resources needed to develop the process. What is more, they generally perceive AL21 implementation as complex and plagued with risks, and are not clear about the advantages of going down that road. That is why we believe that what we call Regional Agenda 21 (RA21) needs to be emphasised as a complementary tool. We understand RA21 to be a process of public–private collaboration within which the regional government provides leadership, motivation, knowledge, resources and an ability to pull all the stakeholders together, and in which councils, led by their Mayors, work as a network, saving resources and sharing knowledge and best practices.

We examine successful innovative practices in the BAC over a 4-year period, with a view to clarifying the theoretical literature and to aiding regional and local authorities. We analyse policy implementation, antecedents and consequences to (1) provide evidence of a successful LA21 promotion experience, and (2) offer an integrative approach that helps to improve our knowledge of policy networks (PN) in a regional context. This paper attempts to contribute to the literature in two ways. In the first place, evidence about LA21 experiences is scarce, and mainly concerns regional promotion of LA21, through networking processes. Secondly, although research on PN has produced useful results, we are still some way from a plausible, consensus-based theory of PN (Peterson, 2003), and this paper attempts to contribute towards the establishment of this theory.

LA21 promotion as a means of improving SD is a major objective in many countries. We also, therefore, wish to

assist political managers in launching public and private processes of collaboration for LA21 dissemination, providing them with the main details of a successful experience and a conceptual model that emphasises the crucial elements in this endeavour. In addition we underline features of the strategy that could be improved upon. This may make it possible to reduce the risk perceived by political managers when it comes to starting up a networking process. Other regions could then use this approach to achieve successful PN.

The present article starts with the study area, with a description of the Basque Autonomous Community (BAC), where the number of LA21 processes has grown spectacularly during the last 3 years. In the following section, we propose a methodological approach. The third section provides an integrated PN framework, underlining the antecedents that, in our estimation, explain the success of a regional knowledge-driven network for LA21 promotion. This conceptual framework acts as a “map” for the rest of the article.

## 2. The BAC and the SD: A brief overview

Located in the north of Spain, on the south-western border of France, the BAC comprises the provinces of Álava, Guipúzcoa and Vizcaya. Population density in the BAC is high, the region’s industry is solid, and its gross domestic product (GDP) higher than the Spanish average. Although in overall terms the BAC is a highly industrialised and urbanised region, there are sparsely populated rural areas dependent on agriculture, livestock rearing and forestry. More than 75% of the 250 municipalities have less than 3000 inhabitants.

After the 1980 Statute of Autonomy, BAC assumed a significant degree of self-government in different fields such as health, education, culture, public order, trade, environment and social exclusion. Besides establishing the powers to be transferred from central government, the Statute also endowed the BAC with a special tax regime, whereby the regional tax authorities levy all taxes except import–export duties through the three Provincial Councils. However, the Basque government then transfers a previously agreed quota to the central state Treasury in compensation for common Spanish expenditure and in payment for powers not assumed by the BAC.

As a result of the decentralisation process initiated with the 1980 Statute of Autonomy, decision-making powers in the BAC are divided between four categories of public bodies: the Spanish Government; the Basque regional Parliament (Basque Government); the Provincial Councils (provincial government) and Town and Local Councils (municipal government).

The concept of environmental sustainability took its time to sink roots within the institutional sphere of the BAC. In the 1980s and 1990s, official pro-SD action concentrated on improving the energy efficiency of companies and on the replacement of oil by natural gas. It was not till

after the 1992 Rio de Janeiro Summit that the concept of environmental sustainability began to be more widely manifest in Euskadi, both in terms of plans and of regulations. The General Law 3/1998 for the Protection of the Environment represented important progress. However, the environmental aspect still remained separate from the social and economic dimensions, with consequent problems for the integration of strategies and interventions.

What constituted a definitive step forward was the signing, by the President of the Basque Government, in January 2001, of the “Basque Country’s Commitment to Sustainability” as it made explicit the intention to lay the foundations for a new SD model that incorporated the aforementioned triple dimension. Finally, on 5 June 2002 the Basque Government approved the “Basque Environmental Strategy for Sustainable Development 2002–2020”. Although not legally binding, this document included more than 200 commitments and the high-priority objectives of Basque environmental policy including LA21. This strategy has an environmental focus, but aims for harmonic integration with other strategies oriented towards economic and social development.

Since then, the BAC has advanced, via various economic, social and environmental initiatives, along the road to SD. The regional government’s most recent LA21-related performance is the Basque Network of Municipalities for Sustainability, officially presented on 20 December 2002. The network was given the mission of “stimulating the effective development of LA21 processes and integrating sustainability criteria in municipal management under a common strategy, promoting the role of the municipalities in a sustainable development strategy within the BAC, as well as involving Basque society” (*Udalsarea* 21, 2004, p. 3). As a result of this strategy, the *Udaltalde* 21 (groups of municipalities) and *Udalsarea* 21 (municipality network) projects were established. These are clearly the most innovative LA21-related performances undertaken by the BG and will therefore be the main focus of the paper.

### 3. Research method

As we show later, the Basque case was selected because of successful results in terms of LA21 dissemination and also the innovative way in which policy was designed on the basis of the creation of a regional knowledge-driven network. In the course of the study, the literature review directed us to theory generation in the area of LA21 promotion policies, so a qualitative research methodology was adopted for the case study (Yin, 1994; Stake, 1995; Neuman, 1997; Perry, 1998; Punch, 1998). Because the LA21 promotion policy is an ongoing contemporary phenomenon, it needs to be investigated within its real-life context. The depth and detail of qualitative data can be obtained only by getting physically and psychologically closer to the phenomenon through surveys and in-depth interviews (Alam and Perry, 2002). Findings are then evaluated for reliability and validity (Leplin, 1986; Hunt, 1991; Perry, 1998).

Table 1  
Field work

Surveys			
	Number of surveys sent	Number of surveys answered	Response rate (%)
First survey	62	45	72.58
Second survey	51	35	68.63 <sup>a</sup>
In-depth interviews			
	Number	Interviewed	
IHOBE	5	Jose Luis Aurrekoetxea, Alex Botto, Agate Goyarrola, Josu Sanz and Javier González	
Basque Government	1	Eusebio Larrañaga (Department of Land Planning and Environment)	
Guipúzcoa council executive	1	Itziar Eizaguirre (Department of Environment)	
Vizcaya council executive	1	Marta Barco (Department of Women and Social Affairs)	
Municipality town council	5	María Asís and Isabel Garcés (Bilbao), Aitor Santisteban (Alonsotegi), Eukene Goarronetxea (Mungia), Gorka Ortigosa (Errenteria)	
Biosphere Reserve of Urdaibai	1	Xabier Arana	
Environmental Studies Centre, Vitoria	1	Ane Velasco	
Other contacts via telephone and e-mail	5	Elixabette Zuriarrain (municipality of Zarauz), Izaskun Zeziaga (municipalities of Azcoitia and Azpeitia), Jon Torre ( <i>Mancomunidad</i> of Arratia), Luis Kazalis ( <i>Mancomunidad</i> of Lea Artibai), Nieves Terán (municipality of Santurce)	

Source: Authors’ own work.

<sup>a</sup> Only six of the surveys sent were answered by municipalities, the rest being answered by the technician of the *Mancomunidad*.

Multiple sources of evidence were used to aid research validity (Yin, 1994). We obtained the primary data through telephone and personal interviews with 20 people, two surveys, and via our anonymous participation in three public forums (Alonsotegui, Bilbao and Getxo). A summary of primary sources used is included in Table 1.

The interviews lasted between 1 and 5 h. Sometimes the same person was interviewed a number of times. Reliability was achieved using a standard format written out as an interviewer guide and was also supported by researchers’ experience. Table 1 identifies the specific identities and responsibilities of the individuals interviewed. Our objective was to obtain complete representation from the different actors who make up the *Udalsarea* network. This is in keeping with one of the goals of qualitative research, which is to portray the range and depth of the phenomena, which in turn is important in developing theory (Alam and Perry, 2002). We use a “snowball” process for the identification of the different interviewees.

A preliminary survey was also sent during the 2001–2002 period to all municipalities that had shown special interest in LA21 issues (by signing the Aalborg Charter or joining

the Basque Commitment to Sustainability). Results showed that LA21 was clearly in its infancy in the BAC and also that the methodology followed neither broadened nor reinforced participative structures or citizen involvement in the process, two of the more characteristic aspects underpinning LA21 Programmes. This enabled us to establish the first step in our analysis. We also sought to study the results of these two programmes, sending a new survey in 2003 to the same municipalities to measure the progress made. But the slow rate of response prevents us from drawing any conclusions about general trends in LA21 processes. Despite this, the responses received showed that local-level LA21-related functions and tasks have been farmed out to the Development Agencies and *mancomunidades* (we look at this issue in further detail later).

In addition, secondary sources were used, gathering information on LA21 performances of Basque municipalities online, the Internet being a major source of communi-

cation initiatives, and from the Basque Government and local authorities. Once we had obtained all the required information, a comparison was made of the present situation, now that *Udaltalde* and *Udalsarea* are being implemented, with the situation in 2001, when *Udaltalde* was only a pilot project.

#### 4. Proposing a new conceptual PN framework

Because our approach was integrative, we needed to review literature from a multidisciplinary perspective. Based on the main conclusions offered by the literature and on the in-depth study of the BAC experience, this paper aims to make a theoretical contribution by proposing an integrated approach to understanding the antecedents and consequences of a regional knowledge-driven network for LA21 promotion (see Fig. 1). The framework incorporates 13 literature-driven propositions analysed in the BAC case.

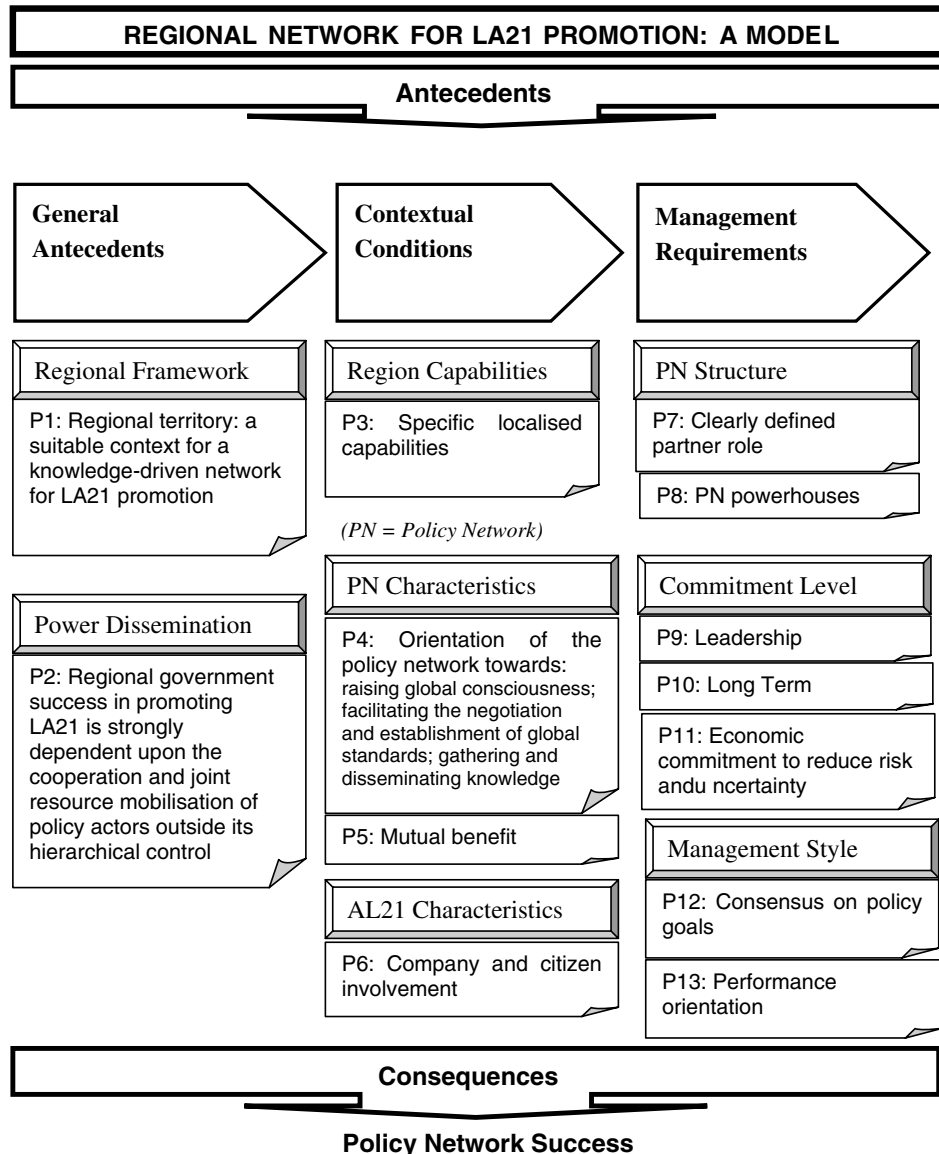


Fig. 1. A model of regional network for LA21.

We differentiate between three categories of antecedents. What we refer to as general antecedents concern the ultimate reasons explaining the convenience of designing and developing a regional PN for sustainable development promotion (Propositions 1 and 2). Contextual conditions are the specific characteristics of the region (Proposition 3), of the PN (Propositions 4 and 5) and of the final objective pursued, LA21 implementation (Proposition 6). Management requirements refer to the key factors for success in the implementation of the LA21 network and are, in turn, divided into three categories: PN structure (Propositions 7 and 8), commitment level (Propositions 9–11) and management style (Propositions 12 and 13). The consequence is LA21 network success, at least in terms of LA21 dissemination.

Regional literature and the New Public Management publications provided disseminated conclusions regarding general antecedents. New Public Management, PN and what scant LA21 literature existed improved our understanding of the contextual conditions. Public–private partnership literature contributed knowledge in relation to management requirements. The next sections develop and discuss propositions in the context of the BAC network for LA21 implementation, following the framework included in Fig. 1.

**5. General antecedents**

*5.1. Regional territory: a suitable context for a knowledge-driven network*

Regional literature provides a rationale for a regional PN for LA21 promotion. Regional economies are synergy-laden systems of physical and relational assets, and ongoing globalisation is intensifying this situation (Scott and Storper, 2003).

The spatial proximity of large numbers of people, businesses and institutions locked into dense networks of interaction provides the essential conditions for many-sided exchanges of information to occur (Scott and Storper, 2003) to promote their joint interests (Becattini, 1990; Asheim, 2000). One particularly powerful phenomenon is face-to-face contact for the transmission of complex and uncertain messages (Leamer and Storper, 2001). These interdependencies—often untraded—have a strong quasi-public goods character, “meaning they are the source of positive externalities that are more or less freely available to local firms but are the property of none” (Scott and Storper, 2003, p. 587). These “regional economic commons” (Scott and Storper, 2003) are crucial for overall regional success, but producers are tempted to engage in free-rider behaviour by poaching these resources from the regional resource pool (Braczyk et al., 1998; Maskell, 1999; Johansson et al., 2001).

Successful regions must then be able to engage in regional foresight exercises that identify and cultivate their assets, undertake collaborative processes to plan and imple-

ment change and encourage a regional mindset that fosters growth. Therefore we expect that: *The regional territory is a suitable context for prompting a knowledge-driven network for LA21 implementation (Proposition 1).*

In the case of the BAC there is no question that the regional network has been fundamental in achieving LA21 dissemination. Beginning in 2002 with 1% of the municipalities (Vitoria and Alonsotegui) involved in LA21 implementation, by 2006, after 4 years, the network had managed to encourage 55% of municipalities to implement the Agenda and become members of *Udalsarea* 21. A further 34% of municipalities were in the design phase. The remaining municipalities found themselves in the previous phases of information and training (see Table 2). The number of town councils that become integrated within the LA21 action implementation phase, i.e. the *Udalsarea* 21 network, grows each year. At the beginning of 2003, 14 councils were incorporated; in 2004, 21; in 2005, 29; and in 2006, 72. By 2006 there were, therefore, 138 municipalities involved in the network, thus demonstrating that the robustness of the process was increasing.

Membership of *Udalsarea* 21 is relevant in that the requirements for participation are rather ambitious, since municipalities must have finished their LA21 design. They are also required to appoint an officer (and a substitute) responsible for taking part in the Technical Network Committee. Municipalities also have to establish channels for civil participation and are required to have ratified the Charter of Aalborg or the Commitment for the Sustainability of the BAC, as proof of the local authority’s political commitment.

Research findings emphasised that *Udaltalde* 21 and *Udalsarea* 21 were the most important factors for the proliferation of LA21 in the BAC. But, it is still too early to say whether *Udaltalde* and *Udalsarea* projects will be a success in terms of improving SD. Also, there are still no local SD indicators to evaluate the progress of municipalities on LA21. Nevertheless, qualitative evidence permits us to note that town councils are undertaking numerous initiatives that are contributing to meeting SD objectives. So, our study of the action plans reveals that local authorities are, for instance, passing laws to enforce the construction of sustainable dwellings within their territory; combating water leaks due to the use of deteriorated supply networks; improving public transport to offset CO<sub>2</sub> emissions caused by private vehicles and help to interconnect different areas

Table 2  
Municipalities’ progress on LA21 (% of municipalities in each phase)

	Information (%)	Trading (%)	LA21 design (%)	LA21 implementation (%)
2002	ND	ND	ND	1
2003	50	30	12	6
2004	26	31	28	14
2005	10	14	49	26
2006	3	6	37	54

Source: Authors’ own work.

within the municipality; rationalising excessive land consumption through town and country planning directives encouraging the building of higher dwellings, and; supporting environmental education initiatives in schools.

In conclusion, the regional territory clearly acted as a suitable context for prompting a knowledge-driven network for LA21 implementation. Nevertheless, results in terms of SD improvement will have to be analysed in a long-term perspective and with a quantitative focus.

### 5.2. Power dissemination: a comprehensive network is needed

New public management literature provides a rationale for a regional PN for LA21 promotion that involves a balance of power between policy actors. New Public Management “is characterised by decision systems in which territorial and functional differentiation disaggregates effective problem-solving capacity into a collection of sub-systems of actors with specialised tasks and limited competence and resources” (Hanf and O’Toole, 1992, p. 166).

Governments have become increasingly dependent on the cooperation and joint resource mobilisation of policy actors outside their hierarchical control. These changes have favoured the emergence of PN as a new form of governance, different from the two conventional forms of governance (hierarchy and market), which allows governments to mobilise political resources in situations where these resources are widely dispersed among public and private actors (Kenis and Schneider, 1991; Marin and Mayntz, 1991; Kooiman, 1993; Mayntz, 1994; Le Galès, 1995). Therefore we expect that: *Regional government success in*

*promoting LA21 implementation is strongly dependent upon the cooperation and joint resource mobilisation of policy actors, with various abilities and capacities, outside its hierarchical control (Proposition 2).*

In the BAC, the creation of the LA21 promotion network was not seen as just one more strategic alternative, but rather as an absolute necessity. Where the municipalities were concerned, the BG knew, first of all, that many important powers of relevance to SD are held by the municipalities. Territorial Planning is a good example, being pertinent to the construction of more sustainable homes or to land use geared to more sustainable transport. Secondly, the BG recognised that local councils are particularly adept at maintaining proximity to citizens and establishing effective communication with them. In third place, the BG knew that no LA21 strategy would work without contributions from municipalities, which would ultimately have to make the effort to design and establish actions to improve sustainability.

The involvement and commitment of Provincial Councils and the association of municipalities (EUDEL) was also needed. The municipalities are integrated within Provincial Councils, on whom an important part of their financing depends. In addition, significant powers for achieving SD targets, such as intermunicipal transport, are in the hands of the Provincial Councils. The effective involvement of Provincial Councils in the process is remarkably important. Fig. 2 shows this clearly. Practically all the municipalities in the provinces of Guipúzcoa and Vizcaya are involved in LA21 implantation. Nevertheless, LA21 is relatively thin on the ground in the province of Álava. We found two explanations: (1) for historical reasons, Álava has a better environmental profile and, as a

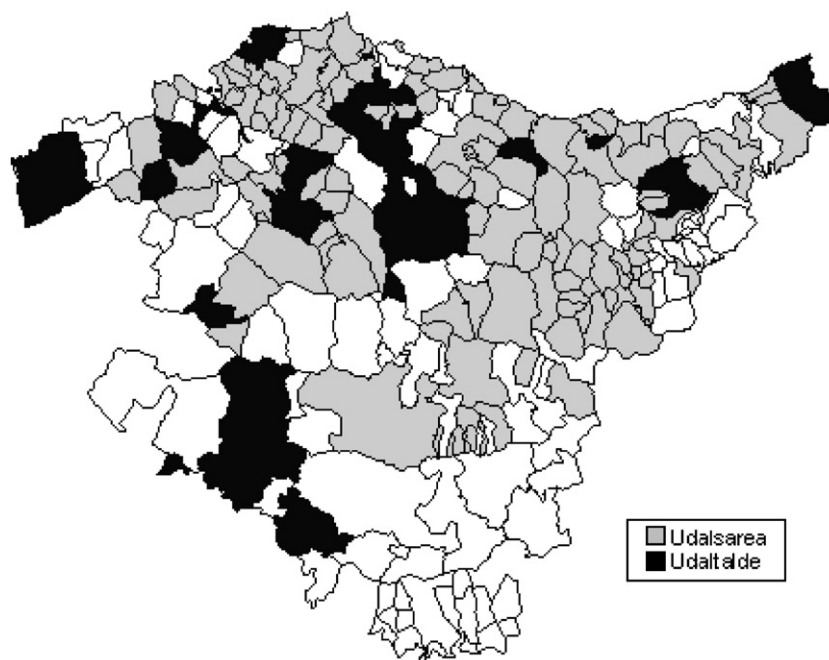


Fig. 2. Map of municipalities belonging to *Udaltalde* and *Udalsarea*.

consequence, a less urgent perceived need, and (2) the regional government and the provincial government are governed by different political parties that are continually at loggerheads. So the Provincial Council may be less committed to the strategy. Álava is a member of *Udalsarea*, signifying a relative degree of involvement, but the low implementation levels of LA21 processes in the province show that there is no effective commitment. In fact, the Government of Álava has contributed fewer economic resources for implementing actions.

In conclusion, the BG was clearly dependent on the cooperation and joint resource mobilisation of policy actors outside their hierarchical control. The BG was, consequently, aware that its role was only a prompting, driving and facilitating one. It had to involve stakeholders in LA21, while making them feel, at the same time, that they were the “owners” of the process. To this end, before the PN was developed and implemented, the BG created the right environment through a shared vision, the early participation of the stakeholders and the formation of a network of believers among network members. The stakeholders involvement, created the combination of human, economic and knowledge resources, required for the process to be successful.

## 6. Contextual conditions

### 6.1. Specific localised capabilities: networking culture and pre-existent structures

LA21 is part of the process of achieving SD at the local level, taking the general principles of A21 and translating them into specific plans and actions for specific communities (Hewitt, 1995; Mehta, 1996; Sharp, 1998; Twyman, 1998). But the implantation of LA21 processes calls for a complex combination of skills, which must be created (Dalal-Clayton and Bass, 2000). The municipalities should have facilitating skills, coupled with diplomacy and patience, to set in motion two-directional communication channels with citizens and the style of democratic governance which LA21 implantation demands. Furthermore, they must understand the complexity deriving from interactions between the three SD dimensions, between the different Government levels and between the institutional, legislative and administrative dimensions. Moreover, to be able to design LA21 Action Plans one has to understand the impact of rapidly changing surrounding factors. This is why most of the efforts made by local authorities to “internalise” the LA21 process are channelled through local government training.

It has been said that, to mitigate these difficulties, LA21 could be effectively facilitated through regional networks of LA21 officers who, by sharing information, contribute to programme diffusion and self-learning (Barrett and Usui, 2002). Consequently, regional governments need to establish collaborative processes between municipalities, geared to the creation and diffusion of knowledge. But it is also

necessary to seek the involvement of intermediate government levels. This throws up an additional difficulty. Implementation of PN by regional authorities is also a complex process requiring specific localised capabilities similar to those mentioned above with regard to the municipalities. Then, as Maskell and Malmberg (1999) state, knowledge-creation processes are influenced by specific localised capabilities such as resources, institutions, social and cultural structures. Therefore we expect that: *The implementation and the success of a knowledge-driven network for LA21 promotion is strongly influenced by specific localised capabilities (Proposition 3).*

In the BAC case, there is no doubt that some pre-existent structures and capacities were of key importance. Firstly, networking experience was crucial to taking the decision that created the LA21 network and also for its successful management. There is a strong underlying networking culture in the BAC. In the late 1980s, the BG implemented an industrial cluster policy, which provided an initial experience and some relational resources. Industrial clusters performed successfully and were precursors of a PN to promote quality in industry that has been in operation since 1993. This policy was subsequently extended to education, health and the public sector in general and played a determinant role in inspiring a networking philosophy for the promotion of LA21 processes. Today the BAC maintains a leadership position in terms of quality certificates and EFQM (European Foundation for Quality Management) awards.

IHOBE, a public company whose task is the promotion of SD in the BAC, had been working to encourage the spread of ISO 14001 quality certificates among companies, within the framework of the quality promotion PN. Their managers, once they had tested out the potential offered by networking, had the idea of transferring this philosophy to LA21. The first step was to adapt the methodology of group work, successfully used for ISO 14001 implantation in Basque firms, to the *Udaltalde* 21. The usefulness of this methodology as a tool for the joint execution of LA21 processes between municipalities was borne out with the creation of the *Udaltalde* 21 Pilot. Networking, then, seems to work as a cumulative process.

Finally, one resource that was fundamental for the success of the process was the pre-existence of small supra-municipal organisations. Municipalities have to face multiple limitations, most of which increase proportionally as the size of the municipality decreases. Such limitations are often faced using a networking approach. Indeed, many of the municipalities join together for the common provision of fundamental services (such as the water supply, waste management, environmental activities, tourist promotion, etc.). These pre-existent structures, named *mancomunidades* (~communities of municipalities), have proved to be key factors in disseminating LA21 through networking. Most *Udaltaldes* 21 have been created within *mancomunidades*. The importance of these pre-existing structures for a successful outcome was very quickly taken on board.

The *Udaltalde* 21 that was set up in the year 2000 may be considered a pilot experience. IHOBE worked with nine town councils from the three provinces. The pilot project included the municipalities of Llodio and Amurrio in Álava; Santurce, Erandio and Basauri in Vizcaya; and Zarauz, Legazpi, Azcoitia and Azpeitia in Guipúzcoa. These specific municipalities were chosen because (1) they were medium-sized, (2) they had a similar profile on environment and (3) they belonged to the three provinces of the BAC. Three firms of consultants, Minuartia, Sayma and Ingurune, also formed a temporary business alliance. A training course was given at the beginning of the project, and other specific advisory courses followed in each municipality. Regular meetings were held throughout the process. A citizen participation forum and an internal committee were set up. An environmental diagnosis was produced for each municipality, the outlines of the diagnosis providing the basis for a series of targets and objectives. Once these objectives had been classified by priority, a list of performances was compiled in the action plan document. To measure progress, twenty common indicators were proposed to facilitate comparisons between municipalities; each municipality then established between five to ten individual indicators. The original target, which envisaged all these municipalities finishing LA21 implementation, including launch of the action plan by 2001, soon proved impossible, which is why most municipalities later joined the new *Udaltaldes*.

It was not a satisfactory experience, and the strategy was redesigned. The new *Udaltaldes* 21 differ from the pilot scheme in the way they are grouped. After the pilot experience, municipalities were grouped according to geographical criteria in preference to statistical clustering criteria. BG learned that success depended on capitalising on strong territory-associated historical ties. Local governments worked jointly within the *mancomunidades*, freely created to obtain synergies in the provision of some public services while collaborating with local development agencies. Furthermore, municipalities located close to each other usually have similar environmental characteristics, making synergies evident. As noted above, some town councils that took part in the first pilot project subsequently joined these new geographically oriented *Udaltaldes*.

In conclusion, some localised capabilities were vital in the case of the BAC, particularly networking experience and culture and the pre-existence of two structures such as IHOBE (which acted as a connecting link between quality networking and LA21 networking), and the *mancomunidades*. The PN was set up with the aim of creating other necessary but not pre-existing skills, such as the complex knowledge and resources required for implanting LA21 in municipalities.

## 6.2. Key functions of PN

Inside PN literature, the “governance school” (e.g. Kenis and Schneider, 1991; Marin and Mayntz, 1991; Kooiman,

1993; Mayntz, 1994; Le Galès, 1995), which conceives PN as a specific form of governance, has highlighted the key functions of a public-driven PN, including: (1) raising global consciousness, (2) facilitating the negotiation and establishment of global standards, (3) gathering and disseminating knowledge (increasing efficiency and efficacy and avoiding duplication) and (4) serving as innovative implementation mechanisms (Witte et al., 2000). Therefore we expect that: *The more the LA21 network is oriented towards the named key functions, the greater the success of the PN (Proposition 4).*

The BG’s first task, in partnership with the pioneering local institutions, was to create global awareness of the importance of establishing LA21 tools. From that moment on the policy was conceived as a process of knowledge creation and dissemination. BG offered support in the shape of financial aid, as did the Provincial Councils (details regarding financial aid are provided in the discussion of Proposition 11). But the focus was on knowledge provision and knowledge sharing. Basque programmes also focus on the knowledge of LA21 experts (consultants). Initially, there were no LA21 experts in the BAC. The BG, through IHOBE, required local consultancies to work in partnership with international consultancies specialising in LA21. This demand was a basic element in the creation of consultancies able to provide knowledge at the highest level.

The BG’s initiatives are incorporated into each of the following four phases: (1) Information; (2) Training and Education; (3) LA21 Design and (4) LA21 Implementation. In the first phase, they use two tools: firstly, a web page (<http://www.inguremena.net>), which gathers information about the real situation in municipalities, *Udaltalde*- and *Udalsarea*-related performances and other issues of interest, such as financial funds, LA21 and SD documentation. The other tool is an information free-phone number for town councils. This free-phone is run by eight university trained specialists, who answer 3500 calls a year. When necessary, this information is complemented by up to 4 h free consulting in situ in the municipality. The educational phase focuses on two features: methodological guides (covering best practices, indicators, LA21 methodology, key documents from international agreements, etc.) and training courses for town council personnel. We look at phases (3) and (4) in further detail later.

IHOBE advises municipalities to use the support of consulting companies, mainly in communicative processes and in the collection of data for the local diagnosis. Usually, all the municipalities in the same *Udaltalde* work with a single consulting firm throughout the entire process. But some *Udaltaldes* select different companies (e.g. Burutzaldea). A few other municipalities only recruited external consulting for the diagnosis, the action plan being prepared by a technician at each town council (e.g. Enkarterriak).

In conclusion, the complexity of the process generated a strong sense of insecurity in the local authorities, which made it very difficult for them to get the process going. Consequently, the BG, via IHOBE, acted as an LA21 “mis-



sionary” vis-à-vis the municipalities, provincial councils and consultants and directed its efforts towards the creation and diffusion of the complex combination of knowledge needed for running LA21 processes, using the means referred to above. This allowed them to attenuate the doubts and fears sensed by local authorities and fuel the process. Fortunately, what the BG needed, coincided with what the PN are able to do well.

### 6.3. Mutual benefit

The basic idea behind PN and public–private partnership literature is mutual benefit (Pongsiri, 2002). It would not be easy to promote a collaborative process in which not all the stakeholders win. A general consensus exists in that the essence of a successful partnership is cooperation and a mutually supportive relationship between stakeholders and the recognition that each party has a stake in the success of the other (e.g. Waddock, 1988; Kolzow, 1994; Hart, 1998; Lockwood et al., 2000; Bagchi and Paik, 2001). Therefore we expect that: *The greater the mutual benefit the greater the success of the LA21 network (Proposition 5).*

Although SD seems to be a common BG and local government objective, research has shown that some municipalities are unwilling to pioneer LA21 implementation. The main reasons for this reluctance were that local political leaders (1) lack experience of tools as innovative and complex as LA21 (an aspect we went into more when discussing Proposition 4), (2) were afraid the municipal diagnosis would reveal how bad the local situation was, and (3) were worried about promising citizens actions they could not deliver. Finally, (4) the shortage of both human and economic resources seemed to be another important factor complicating actual process implementation. This prompted the BG to design a strategy addressed to local governments that saw less difficulties and more benefits in implementing LA21. Initially, the government created programmes designed to support the activities of pioneering believers. These programmes helped to create a favourable atmosphere and to reduce doubts and fears among other local institutions. Also, the prestige effect was exploited. Being a member of *Udalsarea 21* is a prestige move for town councils (an external indicator of good management) and many of them are encouraging LA21 processes so as to be able to join. Moreover, as we shall show in discussing Proposition 11, the network shaped up right from the start as a strategic tool in the search for funding for town council LA21 initiatives.

So, in the case of the BAC, local government perception of these benefits had to be reinforced, and became a crucial factor in policy success. IHOBE managers had to “sell” the advantages of the process to the municipalities. That is why they describe themselves as “missionaries”. The municipalities only took the decision to start the process when they perceived that they were going to receive clear support in the shape of human and knowledge resources in the design stage of LA21 and would, in addition, be able to obtain

economic resources to implement the actions their citizens were asking for. Notwithstanding, there are still some municipalities that detect more risks than benefits and have decided not to proceed with LA21 implantation.

### 6.4. Local firms and citizen involvement and commitment

Besides requiring a proactive response from the local government sector, LA21 also entails a serious and visible commitment from the local citizenship (Hutchinson and Frances, 1996; Echebarria et al., 2004). In this sense, a consensus exists about the urgent need for ‘bottom-up’ strategies and citizen empowerment for improving local quality of life (McMahon, 2002; Scott, 2002a,b). Furthermore, as Gibbs (2000) points out, “sustainability can only be built around value and institutional shifts in society”.

LA21 places major emphasis on participatory structures and social learning processes (Kelly and Moles, 2000) and for this reason local authorities must direct their efforts towards the creation of forums and consultation processes. The community has to be accountable for long-term consequences and understand the need for radically altered perceptions of what contributes to quality of life (Hutchinson and Frances, 1996). In the end, the local community has to meet its own needs; it should therefore decide which initiatives to develop, with local authorities taking the role of facilitator (Kitchen et al., 1997). To succeed, it should previously have provided a framework for achieving consensus among stakeholders, while effective participatory structures need to be developed to ensure consensus on LA21 strategies (Foh Lee, 2001; Freeman et al., 1996; Steinberg and Sara, 2000). Therefore we expect that: *LA21 success is strongly dependent upon the involvement and commitment of local firms and citizens (Proposition 6).*

Although local firms and citizens could have been included in Proposition 2, they are so relevant to LA21 that they need to be dealt with separately. An indicator of the convenience of citizen involvement for reaching SD targets is that, while companies in the BAC are improving energy efficiency and reducing CO<sub>2</sub> emissions, citizens are consuming more and more natural resources per capita and increasing their use of highly contaminating private transport. LA21 philosophy is based mainly on the proximity of local governments to their businesses and citizens. As a result, the creation of channels of participation is a condition for joining the *Udalsarea 21* network.

But we have some concerns regarding the involvement and commitment of local business and citizens. Low levels of interest and/or free-rider behaviour, both of them highlighted in the literature, would seem to be rife among these actors. Our research has confirmed serious difficulties in achieving their effective participation. Especially notable is the non-presence in forums of the companies that pollute the most, largely because they are very wary of the reaction of the most environmentally aware citizens. Furthermore, not all citizens are represented. Participation in forums is mostly limited to environmental associations and retired people.

Another concern refers to local authorities' work in designing action plans. We found that when local authorities attempted to implement LA21 principles in practice, they tended to focus on public institutional actions that were never likely to achieve the required changes in the way ordinary people and businesses thought and behaved. Some municipalities seemed to understand participation processes as mere informative actions, forgetting to stress the importance of decision-making by the local community itself. Bilbao City Council, for instance, recently drew up an Action Plan that was excellent from the technical point of view, but was not accompanied by sufficient citizen participation. Once the Plan had been designed, it was presented in different areas of the municipality with minimal attendance from the city's inhabitants. Participation is not synonymous with advertising or unidirectional communication. More research into this crucial LA21 issue is needed. Effective policies must be designed and best practices extended.

**7. Management requirements**

Experience increasingly indicates that many countries benefit from a more collaborative relationship between different levels of government, and between them and private entities (e.g. Flora et al., 1992; Larkin, 1994; Rosenau, 1999; Lockwood et al., 2000). But partnership success is strongly dependent on management approaches. Although

there is no magic formula for a successful partnership (Bagchi and Paik, 2001), previous public-private partnership studies have discussed several management factors for success. We believe that these factors can be grouped within three categories. The first group of factors is associated with the PN structure. The second concerns the real level of involvement of the driver of the partnership, in our case the BG, within the PN. Finally, there is a third factor group in relation to the style that guides management of the network.

*7.1. PN structure*

The PN structure is a central element in a networking experience. In relation to this structure, the literature has focused on two elements. The first is the need to establish a realistic and clearly defined partner role (Hart, 1998; Bagchi and Paik, 2001). The PN must be comprehensive, incorporating all actors of relevance to a successful outcome; this aspect was mentioned when we discussed Proposition 2. But, in addition, each actor must have a role that is clear and in tune with its capacities. Therefore we expect that: *The more pragmatic and clearly defined partner roles are, the greater the success of the LA21 network (Proposition 7).*

Due to limitations of space, PN structure and partner role, in the case of the BAC, are summarised in Fig. 3 (Udaltalde 21: Design) and Fig. 4 (Udalasarea 21: Implementation).

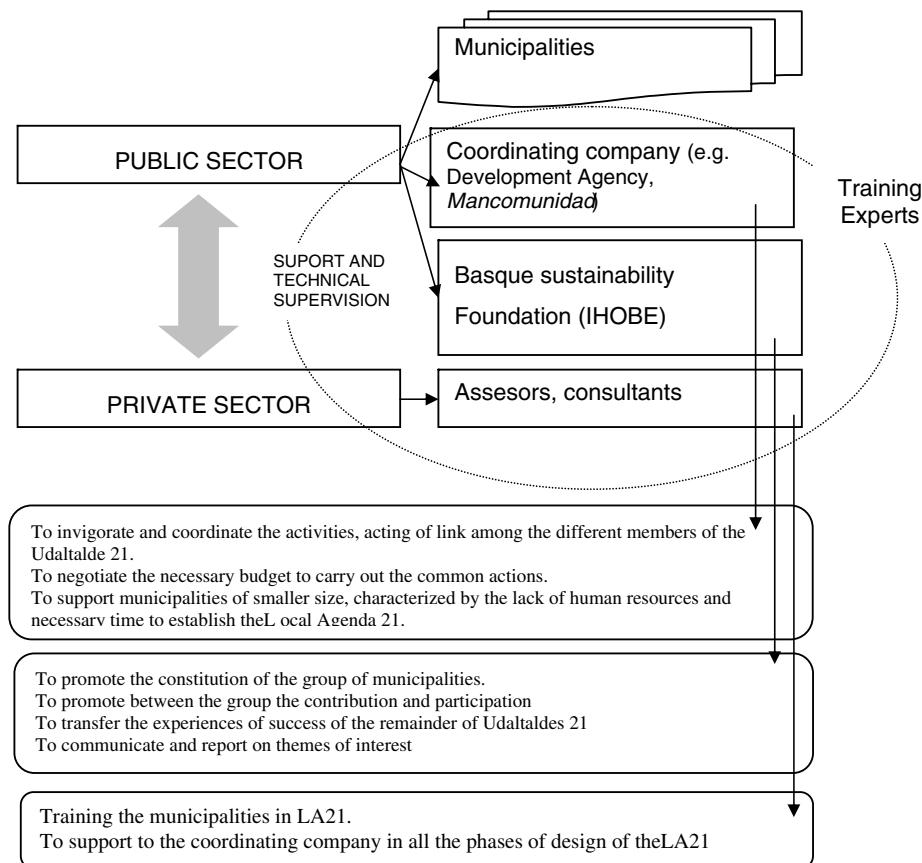


Fig. 3. Policy network structure. Udaltalde 21 (LA21 design).

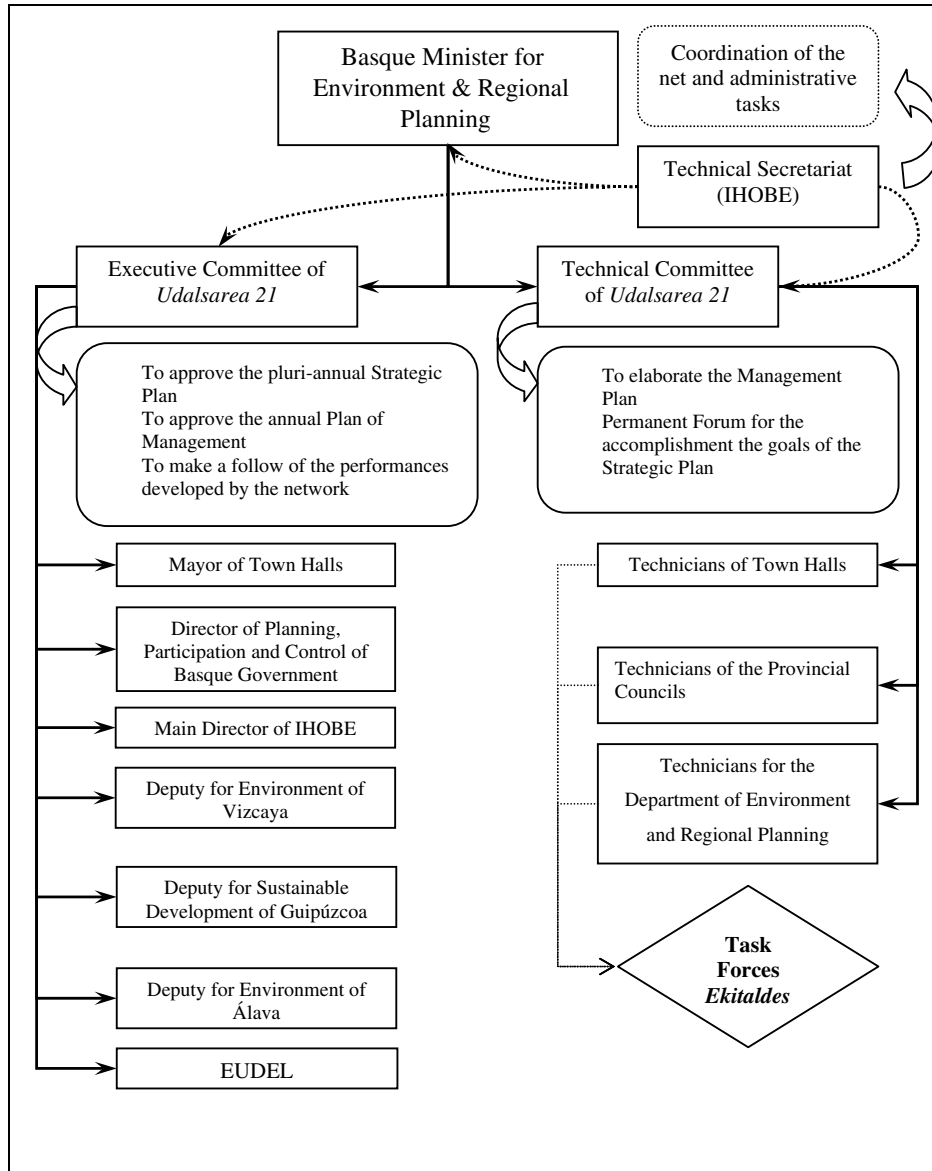


Fig. 4. Policy network structure. *Udalsarea 21* (LA21 implementation).

*Udaltalde 21* is a task force involving a number of municipalities seeking to establish LA21 and take advantage of the benefits of working in a group. Each *Udaltalde 21* has a coordinating body, often the *Mancomunidad* or the area’s Development Agency, which basically manages economic contributions from member municipalities and performance diffusion on the web page. IHOBE acts as Technical Secretariat. For their part, the municipalities accept a political commitment and appoint an LA21 technician. If necessary, the coordinating body is given technical aid, via an expert LA21 consultant. Through this initiative, they enjoy the benefits of working together, reducing costs and sharing motivations, knowledge and resources. In defining tasks for the different organisations involved, greater control is exercised over target compliance.

Once the design phase is over, municipalities join *Udalsarea 21* and commit themselves to carrying out the performances included in the LA21 Action Plan. *Udalsarea 21*

aims to support the transmission of information and promote more uniform criteria for LA21 design, while facilitating the creation of citizen participation channels. Town council members of *Udalsarea 21* can count on the support of IHOBE as Technical Secretariat, which also takes charge of administrative and coordination tasks, while the Executive Committee and the Technical Committee manage the network.

In March 2004, with the prospect of future enlargements and increasing problems of coordination in a growing network, the technical committee proposed a new model for internal function, involving the creation of focused task forces named *Ekitaldes*, with as many as eight member municipalities, to deal with different issues relating to the management of SD. At the first meeting in May 2004, they decided what specific issues needed to be dealt with, as well as the working schedule. In the first phase, after a brainstorming session and subsequent evaluation by *Udalsarea*

21 members, six *Ekitaldes* were set up to cover (1) the social aspects of LA21, (2) municipal policy on the natural environment, (3) waste management, (4) action plan preparation and implementation, (5) introduction of sustainability criteria in the technical contracts of the municipalities, and (6) the next 2 years of LA21 implementation: consolidating the project. Working independently, the *Ekitaldes* were task-focused, originally being set up for a period of 6 months, though some were extended to a full year.

So, in the case of the BAC, each partner provides, in accordance with its abilities, one of the ingredients vital to the successful functioning of the network. The municipalities contribute in-depth knowledge about their own reality, of key importance for defining plans that can be effectively put into operation. IHOBE gives thrust to the process, providing information, training, administrative management, coordination and knowledge. The coordinators from the *mancomunidades* contribute identity and thrust to the *Udaltaldes 21* and are the connecting link between the municipalities and the other actors in the process. The consultants offer experience in making diagnoses and drawing up action plans and in the establishment of citizen communication channels. The Provincial Councils and the BG participate in the top leadership of the process and provide the economic resources required for implementing the initiatives contained in the Action Plans. The *Ekitaldes* facilitate the generation of knowledge regarding aspects of common interest and particular complexity. In short, the PN is designed to create the right combination of resources for the effective promotion of LA21, starting out from a pragmatic vision of what each actor is able to bring to the PN. Thus, in the BAC example, a pragmatic and clearly defined PN structure and partner role has proved to be one of the keys to success.

The second network structure factor which public–private partnership literature has focused on is the existence of project powerhouses. It has been said that the major challenge to successful networks is identifying and achieving agreements with key groups and individuals that will act as project powerhouses (Bagchi and Paik, 2001). Without them it is very difficult to carry the project forward. Therefore we expect that: *The greater the success in identifying and involving key groups and individuals that act as network powerhouses, the greater the success of the LA21 network (Proposition 8).*

As the BAC LA21 network is mainly a knowledge-sharing network, pioneering municipalities with exemplary capacity and specialised consultancies are crucial to success. The BG asked Mayors and technicians from the pioneering municipalities to explain and popularise their experiences. Mutual commitment was crucial to policy success. While government policy provided the municipalities with training plus economic resources, they had to respond by offering the knowledge acquired to the community in general. The contribution of the specialised consultancies was also valuable. But where the contributions of consultants were concerned, research results also gave some cause for concern. A highly limited number of consultants often

produce similar diagnoses and action plans for different municipalities.

In conclusion, pioneering municipalities and specialised consultants acted as PN powerhouses. However, we have doubts about the consultants' role, which is something IHOBE needs to monitor more closely. Appropriate management from the BG was necessary to obtain first class contributions from these network powerhouses. However, we feel that the effect could have been reinforced by establishing a mechanism of recognition for the network powerhouses, perhaps in the form of a "club" of network pioneers and drivers, as had occurred previously in the quality promotion experience.

## 7.2. Commitment level

A second group of management requirements is included in what we have termed the commitment level or real level of involvement of the driver of the partnership, in our case, the BG. The first factor, which we have included within commitment level, is leadership. Successful partnership requires a strong commitment from those who are at the highest levels of power and of reference (Waddock, 1988; Flora et al., 1992; Bagchi and Paik, 2001). Because partnership involves many players from different government levels and the private sector working closely together, it is essential to have a high coordinator who can provide leadership and steer the process forward by addressing various complex issues that arise along the way (Bagchi and Paik, 2001). Therefore we expect that: *The greater the commitment from the top and leadership, the greater the success of the LA21 network (Proposition 9).*

In the Basque case, strong leadership was crucial to networking success. The proactive leadership and initiative of the government was clearly been major factors in the successful diffusion of LA21. Convinced of the long-term importance of LA21 implementation for the BAC in general, the BG decided it should finance long-term initiatives, where benefits are difficult to quantify and affect future generations (i.e. those not participating in current elections) more than today's citizens. A first relevant step was the aforementioned "commitment to sustainability". This commitment accepts the need for integrating the environment in all sector-based policies, insisting on cohesion and the participation of local people, while highlighting the importance of strategic planning for achieving environmental objectives.

Leadership is also associated with the prestige effect. One relevant consideration is that the more the BG President becomes involved, the greater the impact of the prestige effect and the greater the local government interest in taking part in the network. Every year town and city councils joining *Udalsarea 21* receive an award from the regional minister for Land Planning and Environment, in an act presided over by the President of the BAC regional government. After the presentation of the award the President personally greets each Mayor from the municipalities and shares with them his concerns about the LA21 process.

The Department of Land Planning and Environment takes a leading role in promoting mobilisation, the efficient transfer of knowledge and the creation of a process support infrastructure. To do this, the department had to sign agreements with the other PN players. Agreements included (1) partnership agreements with the three provincial councils. This was not easy considering that different political parties are in government in the provinces; (2) partnership with the EUDEL association of municipalities; (3) partnership agreements with consultants; and (4) economic support for IHOBE to fulfil its mission to promote LA21 throughout Basque society.

The second factor relating to commitment level is long term focus. Successful partnership seldom occurs spontaneously (Bagchi and Paik, 2001). Long term focus and patience in government and the private sector is a recurring element in public–private partnership literature (e.g. Waddock, 1988; Larkin, 1994; Bagchi and Paik, 2001). Therefore we expect that: *The greater the long-term commitment in government the greater the success of the LA21 network* (Proposition 10).

In the Basque case, the long-term maintenance and step-by-step implementation of the LA21 promotion policy is expected to be a key to its success. Synergies will be created in the long term, particularly as more and more municipalities join the different phases of LA21. As we observed when discussing Proposition 1, in the Basque case, a virtuous dynamic seems to have been generated and increasing numbers of municipalities are looking to participate in the process. LA21 awareness seems to occur in an accumulative way. Cultural change is required and patience is vital, because such changes take time. Furthermore, a long-term focus is a fundamental factor for municipalities to make the decision to start the process off. Mayors feel that it is not a passing management fad and that the effort will be worth the trouble. A long-term strategy (2002–2020) has been defined and the first step accomplished.

The third commitment level indicator emphasised by literature is economic effort. Public–private partnerships need to overcome several challenges. Some authors (Schmerhorn, 1975; Williamson, 1975; Provan, 1984) suggest that the formation of partnering relationships often leads to negative outcomes such as increasing complexity, loss of decision-making autonomy and information asymmetry. Others (Kolzow, 1994; Keene, 1998; Hart, 1998; Rosenau, 1999) state that managing risk and uncertainty is crucial to the success of any partnership. One effective way to face negative networking outcomes and reduce risk is to bring about a situation where the cost of actions is borne mainly by the members of the network who have the most economic resources (Rosenau, 1999). In the LA21 context, it can make the project more attractive to municipalities and demonstrate the support and participation of provincial and regional government. Therefore we expect that: *The more economic commitment to face negative networking outcomes and to reduce risk and uncertainty, the greater the success of the LA21 network* (Proposition 11).

Municipalities need to allocate major resources to establish tools with intangible results. Mayors in the municipalities cannot run the risk of passing action plans, with the support of their citizens, that are subsequently not carried out through lack of economic resources. Having understood local government concerns about risk and uncertainty, the BG addressed the issue effectively. The BG and the Provincial Councils give financial support to *Udaltalde* 21 members that are in turn committed to promoting LA21. In this framework, the regional government launched an annual aid order for the design of LA21 in town and city councils (*Udaltalde* 21, first phase). Performances qualifying for financing include the expenses incurred in communication activities (mailing, construction and maintenance of the institutional web page, establishment of citizen forums, municipal newsletters, etc.) and payments to environmental consultants. *Udaltaldes* must approve a management plan with a maximum budget of 100,000 euros. Of that amount, the BG Department of Land Planning and Environment finances 50%, the Provincial Council 30%, and the town councils the remaining 20%, while they have the autonomy to decide the contributions of each municipality that belongs to the same *Udaltalde*, though this usually depends on population. An independent, fixed contribution, plus another variable contribution, usually population-based, may also be established.

Moreover, right from the start, the network shaped up as a strategic tool in the search for funding for town council performances. In 2003 (the network's first year), 57 preliminary projects for the action plans of 30 municipalities belonging to *Udalsarea* 21 received financing of 2,181,321 euros, at a time when educational activities were financed and the municipalities had been helping in the search for new financing sources. Additionally, network member municipalities are supposed to have much greater chances of achieving funding from other types of subsidies and grants, as is shown by the fact that 15 municipalities from *Udalsarea*, together with 44 municipalities belonging to *Udaltaldes* 21, were beneficiaries of the *Izartu* urban revival programme grants in 2004. The Basque Government, too, through IHOBE, helps town councils that belong to the network to obtain funding from the European Community for its programmes.

It is evident that, in the case of the BAC, a clear, significant, transparent economic commitment from the BG and its provincial councils was key to being able to face negative networking outcomes and to reduce risk and uncertainty perceived by municipalities.

### 7.3. Management style of the PN

Finally, public–private partnership literature focuses on two crucial factors related to the management style of the network. The first is to share commonly accepted vision/objectives (Fosler and Berger, 1982; Kolzow, 1994; Keene, 1998; Hart, 1998; Bagchi and Paik, 2001). Partnership works well if there is broad consensus concerning the value

of policy goals. Therefore we expect that: *The greater the consensus concerning the policy goals, the greater the success of the LA21 network (Proposition 12).*

In the BAC case, the running of the network is shared by all the stakeholders. Trust and consensus is achieved by joint planning involving discussions on a range of issues and ironing out obstacles together. BG established a number of joint task forces and committees (see Figs. 3 and 4). Thus, the *Udaltalde* 21 programme encourages collaboration/meetings between municipalities in voluntary ad hoc groups. Besides helping to create consensus and a relatively common culture on goals, regular meetings also mean town councils are required to make an effort, going some way to prevent LA21 from just being symbolic plans that are at best left to overworked environmental staff or to inexperienced students.

Once the action plan has been designed, they have the chance to join the *Udalsarea* 21 network in the annual network expansion. Two Committees (an Executive Committee and a Technical Committee) have been created within the network. The first, consisting of political officials, acts as a decision-making body in managing the network. All stakeholders must share key decisions, to prevent the process being jeopardised by discrepancies of judgement. Achieving consensus on policy goals is a key dimension of the BAC LA21 experience. The second committee, formed by town council technical staff and also technicians from all other stakeholders, is responsible for implementing planned activities.

The second crucial element for management style focussed on by public–private partnership literature is performance orientation. It involves the implementation of a coherent strategy, performance measures and some means of controlling the agenda within a partnership (Nagel, 1997; Bagchi and Paik, 2001). Partnerships are likely to be successful if achievable targets are set, incentives for partners are established, and progress is monitored (Bagchi and Paik, 2001). Where LA21 is concerned, a system of sustainability indicators can be used to assess progress. Such indicators need to be connected with a more detailed programme that shows the singular subjects of each LA21 (Valentin and Spangenberg, 2000). Indicators provide local authorities with a tool that supports LA21 development, measuring performance and progress in a way that is less bureaucratic and more meaningful to communities (McMahon, 2002). Therefore we expect that: *The greater the performance orientation, the greater the success of the LA21 network (Proposition 13).*

In the Basque case, specific LA21 promotion policy design is performance-orientated and adapted to policy results. Targets and commitments were established. *Udaltaldes*, for instance, are committed to finalising their action plans in 18 months. In *Udalsarea*, partners must jointly define a strategy and an annual action plan, including targets, financial commitments and a calendar, and must name people responsible for the actions. Then, new public management practices are established and performance is moni-

tored. But there is also some concern about local government involvement. In many cases, action plan performances are not launched or are only partially achieved. This, in our opinion, is probably due to two main reasons: (1) the action plan may merely be a technical document of good intentions with no real underlying political commitment or (2) implementation takes longer than originally estimated, particularly in view of the fact that the administrative process, from budget approval to the execution of actions, is a long one. In the first case, penalties might be established, such as expulsion from the network or withholding funding in the successive calls for tender. In the second case, the pace of work must be respected; the flexibility of the schedules proposed does not appear to be a problem, bearing in mind that sustainable development is less of a sprint and more of a long walk.

So it can be affirmed, in the Basque case, that performance orientation is crucial to success. Specific commitments are assumed by all the stakeholders and a response to other political parties and to the society is required. Then systematic follow-up is needed.

## 8. Conclusions and future research

Our research suggests major conclusions regarding three areas: (1) PN literature, (2) SD and LA21 literatures and (3) governance; all of them analysed from a geographic/regional perspective.

### 8.1. PN

Although research into PN has produced useful results, we remain some distance away from an acceptable, plausible theory of PN. Based on the experience gained from the Basque success story and the literature review, this paper aims to make a theoretical contribution by proposing an integrated approach to understanding the antecedents and consequences of a regional network for LA21 promotion. As noted above, the BG clearly achieved its objective of LA21 dissemination. But this was an instrumental objective to achieve SD in the BAC, based on the involvement of local government, business and citizens. Although the first step was successful in terms of LA21, much more work is needed. It is also too soon to evaluate the effective impact on SD, and municipal indicators are now being developed.

Another contribution to the PN literature is the relevance of geographical proximity as a criterion for creating LA21 work groups. The profile-based clusters emphasised in industrial networking literature were not operative in the LA21 case in the BAC. Geographically based team groups have been vital to success.

### 8.2. SD and LA21

We contribute to SD literature by showing that what we call RA21 may be crucial to LA21 dissemination. As we see it, RA21 is not only an action plan. It is more a process, a

strategic complementary tool to (1) create knowledge about an innovative process, (2) promote a knowledge-sharing network inside its territory, (3) capitalise regional and local assets associated with the geographic area (such as previous ties among municipalities and previous experience in networking), (4) help to solve size-associated problems such as lack of human, economic and knowledge resources, and (5) prompt general strategic goals arrived at through consensus. Previous literature mainly focused on LA21 as an isolated tool. A new emphasis on an integrated regional action process is needed too.

### 8.3. Governance

From a managerial perspective, we use a specific empirical case to show that the way a region operates can be enhanced by suitable policy intervention based on the concept of regional economies as aggregates of physical and relational assets. We also identify the key factors government managers need to consider when designing and implementing PN. Obviously our empirical case refers to a specific context. Public policy is a contextual issue. Other contexts should be investigated in the future. Although the case method provides an in-depth explanation, the results it provides may not necessarily be extrapolated to other contexts. That is why we have defined 13 propositions identifying the factors that, in our view, explain the success registered in the case we selected for analysis. Although the issue studied is LA21 promotion, public sector managers may be able to use the conclusions to instigate other policies such as innovation promotion.

Our research also gave rise to some concern, mainly with regard to the difficulties involved in obtaining effective commitment from local authorities, consultants, businesses and citizens. Success in dissemination does not necessarily imply real, effective commitment. There are practices that need to be improved on in the future. For instance, very similar local government action plans are put forward to tackle different problems, due to the fact that the same consultancy firms are being used; many actions were not implemented after the expiry date, as a result of a low level of involvement or from an insufficient grasp of reality when plans were at the design stage; information is sometimes merely pumped at citizens, rather than there being a two-way communication process that then translates into actions; there is a lack of representation from many citizen segments; and the forums are notable for the non-presence of the major polluting companies, as a result of their reluctance to face the reactions of more environmentally aware citizens.

### Acknowledgements

We gratefully acknowledge support from the University of the Basque Country's research grant 9/UPV 00032.321-15908/2004 and support from the UNESCO Cathedra research grant UNESCO03/05.

### References

- Alam, I., Perry, C., 2002. A customer-oriented new service development process. *Journal of Services Marketing* 16 (6), 515–534.
- Asheim, B.T., 2000. Industrial districts: the contributions of Marshall and beyond. In: Clark, G.L., Feldman, M.P., Gertler, M. (Eds.), *The Oxford Handbook of Economic Geography*. Oxford University Press, Oxford, pp. 413–431.
- Bagchi, P.K., Paik, S., 2001. The role of public–private partnership in port information systems development. *The International Journal of Public Sector Management* 14 (6), 482–499.
- Barrett, B., Usui, M., 2002. Local Agenda 21 in Japan: transforming local environmental governance. *Local Environment* 7 (1), 49–67.
- Becattini, G., 1990. The Marshallian industrial district as a socio-economic notion. In: Pyke, F., Becattini, G., Sengenberger, W. (Eds.), *Industrial Districts and Inter-firm Cooperation in Italy*. International Institute for Labour Studies, Geneva, pp. 37–51.
- Braczyk, H., Cooke, P., Heidenrich, M., 1998. *Regional Innovation Systems: The Role of Governance in a Globalized World*. UCL Press, London.
- Dalal-Clayton, B., Bass, S., 2000. *Sustainable Development Strategies. A Resource Book*. PNUD, OCDE and Earthscan, London.
- Echebarria, C., Barrutia, J.M., Aguado, I., 2004. Local Agenda 21: progress in Spain. *European Urban and Regional Studies* 11 (3), 273–281.
- Flora, J.L., Green, G.P., Gale, E.A., Schmidt, F.E., Flora, C.B., 1992. Self-development: a viable rural development option? *Policy Studies Journal* 20 (2), 276–288.
- Foh Lee, K., 2001. Sustainable tourism destinations: the importance of cleaner production. *Journal of Cleaner Production* 9, 313–323.
- Fosler, R.S., Berger, R.A., 1982. Public–private partnership: an overview. In: Fosler, R.S., Berger, R.A. (Eds.), *Public–Private Partnership in American Cities: Seven Case Studies*. Lexington Books, Lexington, MA, pp. 1–15.
- Freeman, C., Littlewood, S., Whitney, D., 1996. Local government and emerging models of participation in the Local Agenda 21 process. *Journal of Environmental Planning and Management* 39 (1), 65–78.
- Gibbs, D., 2000. Ecological modernisation, regional economic development and regional development agencies. *Geoforum* 31 (1), 9–19.
- Hanf, K., O'Toole Jr., L.J., 1992. Revisiting old friends: networks, implementation structures and the management of inter-organisational relations. In: Jordan, Schubert, (Eds.), *Policy Networks*. European Journal of Political Research, Special Issue 21, 163–180.
- Hart, C., 1998. Mixed-capital public–private partnerships: conditions for success. *UNDP/Yale Collaborative Programme*, pp. 1–33.
- Hewitt, N., 1995. European Local Agenda 21 planning guide. How to engage in long-term environmental action planning towards sustainability. Friburgo, ICLEI.
- Houghton, J., 2005. Place and the implications of 'the local' for sustainability: an investigation of the Ugu District Municipality in South Africa. *Geoforum* 36, 418–428.
- Hunt, S., 1991. *Modern marketing theories: critical issues in the philosophy of marketing science*. South-Western Publishing Co., Cincinnati, OH.
- Hutchinson, A., Frances, G., 1996. Bioregionalism regeneration modelling: a holistic approach to health through environmental management. *Environmental Management and Health* 7 (3), 37–40.
- Johansson, B., Karlsson, C., Stough, R.R., 2001. *Theories of Endogenous Regional Growth Lessons for Regional Policies*. Springer, Berlin, New York.
- Keene, W.O., 1998. Reengineering public–private partnerships through shared-interest ventures. *The Financier* 5 (2/3), 55–61.
- Kelly, R., Moles, R., 2000. Towards sustainable development in the mid-west region of Ireland. *Environmental Management and Health* 11 (5), 422–432.
- Kenis, P., Schneider, V., 1991. In: Marin, Mayntz (Eds.), *Policy Networks and Policy Analysis: Scrutinizing a New Analytical Toolbox*, pp. 25–59.
- Kitchen, T., Whitney, D., Littlewood, S., 1997. Local authority/academic collaboration and the Local Agenda 21 policy process. *Journal of Environmental Planning and Management* 40 (5), 645–659.

- Kolzow, D.R., 1994. Public/private partnership: the economic development organization of the 90s. *Economic Development Review*, 4–6.
- Kooiman, J., 1993. Social–political governance introduction. In: Kooiman, J. (Ed.), *Modern Governance. New Government–Society Interactions*. Sage, London, pp. 1–6.
- Krueger, R., Agyeman, J., 2005. Sustainability schizophrenia or actually existing sustainabilities? toward a broader understanding of the politics and promise of local sustainability in the US. *Geoforum* 36, 410–417.
- Larkin, G.R., 1994. Public–private partnerships in economic development: a review of theory and practice. *Economic Development Review* 12 (1), 7–9.
- Leamer, E., Storper, M., 2001. The economic geography of the Internet Age. *Journal of International Business Studies* 32, 641–665.
- Le Galès, P., 1995. Introduction: Les réseaux d'action publique entre outil passe-partout et théorie de moyenne portée. In: Le Galès, Thatcher, (Eds.), *Les réseaux de politique publique. Débat autour des policy networks*. L'Harmattan, Paris, pp. 13–27.
- Leplin, J., 1986. *Scientific Realism*. University of California Press, Berkeley, CA.
- Lockwood, S., Verma, R., Schneider, M., 2000. Public–private partnership in toll road development: an overview of global practices. *Transportation Quarterly* 54 (2), 77–91.
- Marin, B., Mayntz, R., 1991. Introduction: Studying Policy Networks. In: Marin, Mayntz, (Eds.), *Policy Network: Empirical Evidence and Theoretical Considerations*. Campus Verlag, Frankfurt, pp. 11–23.
- Maskell, P., 1999. *Competition, Localized Learning and Regional Development*. Routledge, London.
- Maskell, P., Malmberg, A., 1999. The competitiveness of firms and regions: 'ubiquitification' and the importance of localized learning. *European Urban and Regional Studies* 6 (1), 9–25.
- Mayntz, R., 1994. Modernization and the logic of interorganizational networks. MIPGF Working Paper No. 4, Max-Planck-Institut für Gesellschaftsforschung, Köln.
- McMahon, S.K., 2002. The development of quality of life indicators—a case study from the City of Bristol UK. *Ecological Indicators* 2, 177–185.
- Mehta, P., 1996. Local Agenda 21: practical experiences and emerging issues from the south. *Environmental Impact Assessment Review* 16 (4), 309–320.
- Meister, M., Japp, P.M., 1998. Sustainable development and the global economy: rhetorical implications for improving the quality of life. *Communication Research* 25 (4), 399–421.
- Nagel, U.J., 1997. Alternative approaches to organizing extension. In: Swanson, Burton E., Bentz, Robert P., Sofranko, Andrew J. (Eds.), *Improving Agricultural Extension. A Reference Manual*. FAO, Rome.
- Neuman, W.L., 1997. *Social Research Methods: Qualitative and Quantitative Approaches*, third ed. Allan & Bacon, Needham Heights, MA.
- Pellizzoni, L., 2001. The myth of the best argument: power, deliberation and reason. *British Journal of Sociology* 52 (1), 59–86.
- Perry, C., 1998. Processes of a case study methodology for postgraduate research in marketing. *European Journal of Marketing and New Zealand Journal of Business* 32 (9/10).
- Peterson, J., 2003. *Policy Networks*. Political Science Series (90). Institute for Advanced Studies of Vienna.
- Pongsiri, N., 2002. Regulation and public–private partnerships. *International Journal of Public Sector Management* 15 (6), 487–495.
- Provan, K.G., 1984. Interorganizational Cooperation and Decision Making Autonomy in a Consortium Multi-Hospital System. *Academy of Management Review* 9, 494–504.
- Punch, K.F., 1998. *Introduction to Social Research: Quantitative and Qualitative Approaches*. Sage Publications, Thousand Oaks, CA.
- Rosenau, P., 1999. Introduction: the strengths and weaknesses of public–private policy partnership. *American Behavioral Scientist* 43 (1), 10–34.
- Schermerhorn Jr. J.R., 1975. Determinants of interorganizational cooperation. *Academy of Management Journal* 18 (4), 846–856.
- Scott, A.J., 2002a. Regional push: towards a geography of development and growth in low- and middle-income countries. *Third World Quarterly* 23, 137–161.
- Scott, A., 2002b. Assessing public perception of landscape: the LAND-MAP experience. *Landscape Research* 27 (3), 271–295.
- Scott, A.J., Storper, M., 2003. Regions, globalization, development. *Regional Studies* 37, 579–593.
- Sharp, E., 1998. Local state of the environment reporting: lessons from experience in Britain and Canada. *Planning Practice and Research* 13 (1), 81–89.
- Stake, R.E., 1995. *The Art of Case Study Research*. Sage, London.
- Steinberg, F., Sara, L.M., 2000. The Peru urban management education programme (PEGUP) linking capacity building with local realities. *Habitat International* 24, 417–431.
- Twyman, C., 1998. Rethinking community resource management: managing resources or managing people in western Botswana? *Third World Quarterly* 19 (4), 745–770.
- Valentin, A., Spangenberg, J.H., 2000. A guide to community sustainability indicators. *Environmental Impact Assessment Review* 20, 381–392.
- Waddock, S.A., 1988. Building successful social partnerships. *Sloan Management Review*, 17–23.
- Williamson, O.E., 1975. *Markets and Hierarchies*. Free Press, New York.
- World Commission on Environment and Development, 1987. *Our common future*. Oxford University Press, Washington.
- Witte, J.M., Reinicke, W.H., Benner, T., 2000. Beyond multilateralism: global public policy networks. *International Politics and Society* 2, 1.
- Yin, R.K., 1994. *Case Study Research: Design and Methods*, second ed. Sage, London.