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## 'A Red-Green Lighthouse' The city of Trondheim in Norwegian politics

### Abstract

"Trondheim<sup>1</sup> is our inspiration", the Labour leader Jens Stoltenberg declared the day after his party and 'red-green' partners had won the general elections in 2005<sup>2</sup>, "Trondheim has shown us that the Labour Party, the Centre Party and the Socialist Left Party can cooperate effectively to strengthen public schooling, care for the elderly and other collective solutions." A few weeks later, the three parties formed the first coalition government of this kind in Norway, based on the most radical government programme in the country since 1973 and arguably of any OECD member for a long time.

Like the other main cities in Norway, Trondheim had been ruled by neo-liberal and conservative politicians for more than a decade. In the local elections in 2003, however, Trondheim saw a significant swing to the left. The first aim of this article will be to explain the social and counter-hegemonic forces that were successfully mobilised and why.

The new majority in Trondheim's City Hall started to vigorously implement a radical programme to reclaim the public sector, re-municipalize service provision and expand the level and quality of social services. At the same time, the city eliminated the budget deficit inherited from the previous regime. During the national elections of 2005, the city became one of the main focal points: "Look at how the Labour Party allows the trade unions, and not the people, to govern"<sup>3</sup>, cried conservative politicians. A second aim of this article is to look at the aspects of the new city policies that so much outraged national right-wing leaders.

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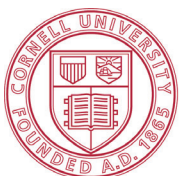
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## **‘A Red-Green Lighthouse’**

### **The city of Trondheim in Norwegian politics**

Einar Braathen

#### **Introduction**

“Trondheim<sup>1</sup> is our inspiration”, the Labour leader Jens Stoltenberg declared the day after his party and ‘red-green’ partners had won the general elections in 2005<sup>2</sup>, “Trondheim has shown us that the Labour Party, the Centre Party and the Socialist Left Party can cooperate effectively to strengthen public schooling, care for the elderly and other collective solutions.” A few weeks later, the three parties formed the first coalition government of this kind in Norway, based on the most radical government programme in the country since 1973 and arguably of any OECD member for a long time.

Like the other main cities in Norway, Trondheim had been ruled by neo-liberal and conservative politicians for more than a decade. In the local elections in 2003, however, Trondheim saw a significant swing to the left. The first aim of this article will be to explain the social and counter-hegemonic forces that were successfully mobilised and why.

The new majority in Trondheim’s City Hall started to vigorously implement a radical programme to reclaim the public sector, re-municipalize service provision and expand the level and quality of social services. At the same time, the city eliminated the budget deficit inherited from the previous regime. During the national elections of 2005, the city became one of the main focal points: “Look at how the Labour Party allows the trade unions, and not the people, to govern”<sup>3</sup>, cried conservative politicians. A second aim of this article is to look at the aspects of the new city policies that so much outraged national right-wing leaders.

The people of Trondheim gave the left parties even more votes in 2005 than in 2003, making it the strongest city of the left. After 2005, however, the city government became increasingly dependent on, and limited by, the Stoltenberg government’s prudent policy for the strengthening of the welfare state. Norway has a municipal welfare state, and there is a high level of interdependence in service provision between local and central governments (Baldersheim, 2002). Trondheim’s centre-left government has a strong instrumental-utilitarian focus on service provision, while it has been weaker in addressing local democracy reform. Its governance programme includes more active participation of workers in efforts to improve service provision, while encouraging active citizen participation to enhance participatory democracy has been a secondary issue thus far. Participatory governance may be on the agenda elsewhere in urban Europe (Gbikpi and Grote, 2002), but how progressive a city is Trondheim in this regard? Its government may not be able to stave off the arguments from the right that “the interests of users and inhabitants, particularly when it comes to the freedom to choose, are being hampered”.<sup>4</sup> In spite of these weaknesses, the red-green parties received an overwhelming new mandate from the electorate in the local elections in September 2007. As table 1 below depicts, the left parties got 58% of the votes, the highest share since 1971, mainly due to the gains of the Labour Party.<sup>5</sup> The

turn-out was 61 %, the highest since 1991. The third and final aim of this paper is to assess this Scandinavian type of social democratic city governance in a critical and comparative international perspective.

Table 1: *Municipal elections in Trondheim. Share of the main parties and blocs, in per cents (%)*.

<i>Year</i>	<i>RV</i>	<i>MDG</i>	<i>SV</i>	<i>AP</i>	<i>LEFT</i>	<i>CENTRE</i>	<i>RIGHT</i>	<i>Turn-out</i>
2007	3,4	2,4	8,2	43,9	58,0	7,7	30,6	60,9
2003	2,6	1,5	18,0	30,9	52,9	14,2	32,9	55,3
1999	3,9	7,6	9,4	28,5	49,6	13,3	43,2	59,2
1995	3,1	1,6	6,2	24,5	35,4	16,9	47,4	60,2
1971			11,1	46,1	60,2	20,8	21,9	67,8

Source: <http://www.trondheim.kommune.no/content.ap?thisId=1117622476>

Explanatory note:

The election of municipal councils in Norway is based on proportional representation (of lists presented by political parties or local ad hoc groups). This may explain the myriad of small parties or groups represented. The mayor is elected by the Municipal Council.

‘LEFT’ parties: RV is the Red-Electoral Alliance, MDG is the Environmentalist Party ‘The Greens’, SV is the Socialist Left Party, AP is the Labour Party. The Left also includes the small Norwegian Communist Party (0.13 % in 2007), of which large fractions joined the SV. (SV’s 11,1 % in 1971 is the sum of votes to SVs predecessor (SF) and the Communist Party.)

‘CENTRE’ parties: Includes the Pensionist Party and the Centre Party, who both aligned with the left after 2003 (got 1,5 and 2,7 % of the votes in 2007, respectively). The centre also comprises ‘The City List’ (until 1995), the Christian People’s Party and the Left (liberal).

‘RIGHT’ parties: Comprises the Conservative Party (15 % in 2007), the Progress Party (14,7 % in 2007) and the Democrats (0.9 % in 2007).

**Background: Cleavages in Norwegian politics**

The history of democratic local self-government in Norway dates to 1837. Its evolution is intertwined with the nation building, democratisation and socio-economic modernisation processes which gained momentum in the second half of the 19<sup>th</sup> century. One of the founders of modern political science, Stein Rokkan, showed the Norwegian model of modernisation as shaped by four subsequently formed, but partially overlapping, socio-structural conflicts or ‘cleavages’:

- (i) territorial cleavages between the urban capital and the rural provinces
- (ii) cultural cleavages between ‘countercultures’ (connected with the linguistic movement for ‘New Norwegian’, the teetotaller movement and the Christian lay-man pietistic movement) on the one hand, and the ‘Danish’ culture of the urban elite on the other <sup>6</sup>

- (iii) commodity market cleavages between producers, particularly in the primary industries, and the consumers
- (iv) labour market cleavages between employers and wage earners. In political terms this translated into two main dividing lines, which converged in decisive moments: the periphery against the centre, and the left against the right wing (Rokkan & Valen, 1964).

The territorial, cultural and commodity market cleavages were instrumental in shaping an egalitarian farmer-based political movement and the first political party of Norway, *Venstre* (The Left). This movement was hegemonic by the time large-scale industrialisation took off around 1890 and the country gained full independence (from a union with Sweden) in 1905.<sup>7</sup> The labour market cleavage gave birth to a powerful trade union movement with its own party, *Det Norske Arbeiderpartiet* (The Norwegian Workers Party, from here on called the Labour Party). It has been the largest party in the country since 1918 (Rokkan & Valen, 1964). It was a member of the Communist International from 1919 to 1923. When it took government in 1935, however, it turned more 'national' by including a large part of the political and ideological legacy of the *Venstre* party. It made a pact with the Farmers' Party (which departed from *Venstre* and later changed its name to the Centre Party). The Labour's Party's main slogan in the 1935 elections was "City and [rural] land, hand in hand". A strong centre-left hegemonic bloc had been established, an alliance between the left and the (rural) periphery (Furre, 2000). Right-wing parties remained marginalised until 1965, when they won elections through a coalition with the Centre Party. The industrial bourgeoisie in Norway remained very weak, with the dominant parts of the manufacturing industry being based on carefully state regulated energy resources (hydropower, and since 1970 petroleum) and a mix of state ownership and foreign capital. Norsk Hydro, the fertilizer producer which went on to become an oil producing multinational giant, and after 1970 Statoil are symbols of this Norwegian model of industrialization. Market liberalism was not feasible in Norway until economic regulation was overtaken by corporate and neo-liberal globalisation after 1980. From 1981, *Høyre* ('The Right' hereafter referred to as the Conservative Party) saw fertile soil for its rebirth and turned to the corridors of political power both nationally and municipally. It was dragged on its right by a new party, the Progress Party, which was both more market liberalist and populist. At the same time, the Labour Party has been 'de-ideologised' and lost its momentum as a radical reform party. Its leadership has increasingly become part of the Oslo-based elite, with socio-economic and political circles merging.

Despite these developments, the egalitarian ideas from the past persist. Two issues bring these ideas to the fore. The first is the European Union (EU). Three times Norway's entry into the EU has been put on the national agenda – in 1961, 1972 and 1994 – and every time the old alliance between workers, farmers and left-wing intellectuals has been revived at the grassroots to defeat the Oslo elites who promote EU membership. On these occasions, the Labour Party leadership has been opposed by large parts of its own grassroots (Pettersen, Jenssen & Listhaug, 1996; Furre, 2000). In no other city has the 'old' (centre-left<sup>8</sup>) alliance emerged more clearly than in Trondheim. It is a stronghold for the EU-critical left wing of the party, headed by a former leader of the Labour Youth, member of parliament from Trondheim and after 2005 Minister of Culture: Trond Giske.

The second is the issue of the Welfare State, based on massive public employment and provision of universally accessible services. Local government in the Nordic countries holds an important position in the overall public machinery, with cradle-to-grave responsibilities for citizen welfare (Baldersheim, 2002). In 2002, mother/child and other primary health care consumed four percent of Trondheim's total municipal spending, nursery schools eight percent, primary schools – grade one to ten – 23 percent and elderly care/other social assistance 25 percent. The municipal sector's share of public sector spending in Norway has been around 60 percent

(SSB, 2002).<sup>9</sup> The nation's welfare system, thus, has long been mainly a municipal system. Support for the welfare state is overwhelming, in spite of some right-wing intellectuals doing their best to align with the technocracy and impose piecemeal privatisation efforts from above. Working class organisation with a social democratic ideology has been weakened, but remains strong relative to other organised forces. Thus, when decisively challenged by right-wing radicals, the labour movement has been rudely awakened, forced to revitalise politically and then mobilised to strike back. This happened first, at the local level, in Trondheim in 2003, and then at the national level around 2005 in an effort to get rid of Bondevik's government dominated by neo-liberal conservatives.

### **Trondheim under the right wing 1989-2003**

Trondheim covers 341 square kilometres along the main fjord in South Trøndelag County. It was founded in 997 AD and was the capital of Norway during the affluent early Middle Ages. On the site of St Olav's grave, a cathedral was erected and became the seat of Norway's archbishop. The city's cultural legacy, rather than economic-industrial muscle, made the city a regional trading capital. Retailers form the core social basis for the local branch of the Conservative Party. In 1989 a popular and easy-going businessman from the conservative party, Marvin Wiseth became the mayor, after a local citizens' group (*Bylista*) left a Labour Party-led coalition that had run out of steam. While Wiseth played a public father figure role, and helped the right-wing to win a majority in the subsequent elections, he left the day-to-day policy making to some neo-liberal young turks. One of them, Børge Brende, later rose to the national leadership of the Conservative Party and became a member of the government. The other was Anne Kathrine Slungård, who became Mr. Wiseth's successor in 1997.<sup>10</sup>

They were bent on showing citizens and the country what rejuvenating wonders to an ageing city market forces could do. Of the city's population, four percent was older than 80 years and in need of permanent care. Moreover, they saw the large complement of public employees as a symptom of decadence. About fifteen percent of the city's work force was employed by the municipality, and when adding in state administration, the large state-run hospitals, the county secondary schools and the second largest university of the nation, close to 50 percent of the city's work force were public employees (SSB, 2002). The new Conservative city leadership wanted to see a larger and more vibrant private sector, as well as offering the citizens 'more freedom to choose' by fostering competing service providers. Thus, they started to outsource care for elderly people.

After ensuring that the public was duly informed that the elderly were satisfied with well-paid private service providers, Ms. Slungård and her colleagues got on with more serious business. They corporatised large technical units of the municipality, turning them into shareholding limited companies: car parks, renovation, municipal property holdings, and building maintenance. The property holding and maintenance companies paved the way for quasi-market relations among the municipal units (the principal-agent model<sup>11</sup>), and the renovation company had to openly tender. The renovation company lost the western segment of the city to a private contender. Last, but not least, the Slungård administration started to sell the municipal companies: the public transport company, the cinemas, and the electricity utility.<sup>12</sup>

Of course, the radical left forces in the City Council opposed these measures from the start, as did municipal employees who feared for their jobs. Student and environmental groups opposed the privatisation of collective transport. The Labour Party, however, remained ambiguous and passive, and the Conservative Party got its way. The turning point came in 1998. The squatters in a partly autonomous anarchist enclave named *Svartlamoen* mobilised strongly against the plans of the commercialised property company of the municipality to 'clean up' their community. They were supported by the cultural workers of the city, contributed colour to the May Day

demonstrations and were supported by the local trade union movement. The Conservative Party was forced to make its first retreat.<sup>13</sup>

Norway is abundant with hydropower stations, a majority of which were owned by municipalities. For nearly a century, they have been instruments for equitable and affordable supply of electricity to local factories as well as households. In the 1990s, however, the Norwegian government spearheaded the introduction of a single European market for energy supplies. The results were soaring electricity prices (and profits), and the unleashing of market pressures on smaller utilities to sell their shares for 'a good price' to larger corporations. Like the rest of the 'mainland economy' (i.e. excluding the offshore oil industry), Trondheim had seen a steady de-industrialisation since the 1970s. By the turn of the century, less than twenty percent of the workforce was employed in manufacturing industries. Their local heavyweight champion, literally, was the Ila Lilleby metal smelter company. Highly vulnerable to shifts on the international metal commodity market, and squeezed by rising hydropower prices, it was threatened by massive lay-offs in 1999. This was avoided when the City Council intervened and forced the municipal utility to supply electricity to the smelter company at lower ('subsidised') prices. The smelter survived. The same problem re-emerged three years later. By then, one major condition had changed: the city had sold its utility in 2001. There was no way the city could save its biggest manufacturer this time. As a result, in 2002 Ila Lilleby Metal was closed down for 'an unspecified period'.<sup>14</sup>

Still, the smelter workers did not throw in the towel without a tough struggle. They pointed out that now that the municipal utility was sold, and the money invested in Asian stock markets, how on earth could working people benefit from municipal adventures into financial-capitalist globalisation? They lost their jobs, but won over the public. The polls showed that the huge majority of Trondheim's population was outraged by the smelter closure, and 80 percent supported re-municipalisation of the utility. Moreover, private sector workers realised that their jobs, too, not only those in the public sector, were threatened by neo-liberal measures. People were fed-up with the Conservatives' policy. The stage was set for a political showdown. Enter the former leader of the chemical smelter workers' union, Arne Byrkjeflot. He was elected full-time chairperson of Trondheim LO, the local trade union council.

### **Innovative trade union initiatives**

In every Scandinavian country there is a strong 'LO'<sup>15</sup>, the trade union confederation that gave birth to the Labour Party. They have managed to keep up the total unionisation rate in their countries by increasingly organising the female-dominated public sectors. In addition, they have created strategic links with the Teachers' Union, which organises its own public service confederation along with the Nurses' Union.

In Trondheim, LO organises 25,000 people and the Teacher's Union with allies has another 5,000 members. This means that more than 30,000 people, or 40 percent of the total adult population, are organised in progressive unions. In Trondheim municipality, the unionisation rate is more than 90 percent. With only three to four percent of the city's registered labour force out of work, the potential bargaining and mobilising power of the trade unions is very strong.<sup>16</sup>

The local trade union councils of LO have always played important roles in the Norwegian labour movement. They have countered 'democratic centralism' in the national branch unions, promoted solidarity among the local unions and last, but not least, have been important policy-making arenas in which to influence the local branches of the working class parties and supply them with down-to-earth, but politically educated, common men and women as politicians.

Three working class parties are present in Norwegian cities:

(i) *The Labour Party (AP)*. It is usually many times bigger than the other left parties, but always with internal contradictions between left and right wings and between trade unionists and others. Still, it is a very disciplined party. It has a bigger appeal for lower educated working class voters than the other left parties.

(ii) *The Socialist Left Party (SV)*. Its predecessor was formed in 1961 after some anti-NATO left wing leaders were expelled from the Labour Party. There was a re-grouping in 1973-75, when it merged with anti-EU activists in the Labour Party and the 'Eurocommunist' wing of the Communist Party, which later dissolved. Despite its Marxist and anti-imperialist platform, since 1990 its leadership has moved it to the centre towards more intimate co-operation with the Labour Party. It is the most significant pro-environment 'green' party in Norwegian politics. In the trade union movement, it is popular mainly among teachers, health workers and other public professional employees. It is not well disciplined. The members tend to be more left-leaning than the leadership and the voting base of the party.

(iii) *The Workers' Communist Party (AKP)/ the Red Electoral Alliance (RV)*. It was formed after the youth organisation broke away from the Socialist Left Party in 1968. A majority has done away with its original Maoist-Stalinist leanings. It established, and lately allowed independence to, the daily newspaper of the Norwegian left, *Klassekampen* (Class Struggle). Its working class members are few but it enjoys wide respect in the trade unions. It is mainly a party for the most radicalised youth and left movement activists.

The Trondheim LO chairperson since 2002, Arne Byrkjeflot, is a founding member of AKP/RV. In the Trondheim LO board, the majority are Labour Party members, a few support the SV, but still the different persons interviewed here claim there have been no major issues where they are divided by party politics. Issues are dealt with by sharing available information and knowledge, allowing wide deliberations within the unions themselves, and finally making decisions by consensus. For the last 10 years, Trondheim LO has been host to a national trade union policy conference, attracting union activists from both within and without the LO confederation (teachers and nurses are organised outside LO). The conferences draw on pro-labour experts and have taken various national action initiatives.

"The 1999 local elections were a wake-up call for us union leaders", said the head of the largest LO union in Trondheim, the Union of Municipal and General Employees.<sup>17</sup> The right-wing populists, the Progress Party, garnered 30 percent of the union members' votes. The Progress Party secured a continued majority for the Conservatives' neo-liberal policies. In the general elections in 2001, the Labour Party obtained its lowest vote for almost a century, nationally (24 percent) as well as in Trondheim (28 percent). At the same time, the Socialist Left Party had the best election ever: 14 percent nationally and 18 percent in Trondheim. The union leaders interpreted the loss for the Labour Party and gain for SV as meaning that people were dissatisfied with the Labour Party's neo-liberal drift towards the right. At the same time, they realised that only by promoting and winning a public ideological debate, could they regain the sections of the working class who had voted for the Progress Party.<sup>18</sup> Traditionally, the Norwegian trade union movement has been closely linked to and dominated by the Labour Party. The trade union movement has campaigned in favour of this party and its policies at elections. After long standing frustration with the social democratic party's political move to the right, some local trade union branches became more politicised (Wahl, 2006).

By early 2003, Trondheim LO had embarked on a process that was later characterised as a decisive political innovation for the Norwegian left: <sup>19</sup>

- In alliance with the Teachers' Union, they organised hearings in all the union base units and developed their own political programme for the 2003 election, consisting of nineteen concrete demands.
- The demands were sent to all the political parties with the following message: "we are going to campaign for those parties that support our demands". This had great educational effect, particularly on the Labour Party. Trondheim LO received answers from all the political parties and organised a public meeting to clarify the positions of the parties.
- Two weeks before the elections, Trondheim LO concluded their analysis: there was a realistic majority in favour of seventeen of LO's nineteen demands! Five parties supported seventeen or more of the demands, including the Labour Party, the SV and the RV. Trondheim LO therefore recommended their members and the public to vote for one of these five parties. They also gave 50/50 support to the Centre Party, who supported nine of the nineteen demands. The remaining (right-wing) parties supported very few of the demands, and LO did its best to expose the anti-worker agenda of these parties.
- LO's ranking of the parties was given a very professional graphic presentation, printed in 25,000 copies in a coloured brochure, and then distributed by activists to most of the workplaces and to people's mail boxes in selected residential areas.
- The Trondheim LO leaders received very good access to the local media – particularly the local station of the national broadcasting company (NRK) and in the single local daily (*Adresseavisen*, with conservative owners/editors). They were attacked by the right-wing for wanting to 'let the unions take over the city', and accused of being manipulated by communists and other 'anti-modernisers'.<sup>20</sup>

According to many observers, the Trondheim LO leader Byrkjeflot and his comrades won the public media debate. And above all, they created great interest and stimulated debates in workplaces. The result was that the parties which supported LO's demands got more than 60 percent of the votes and won 56 of the 85 seats in the City Council. The three working class parties received 51.5 percent of the votes – the Labour Party 30.9 percent, SV 18 percent and RV 2.6 percent. According to exit polls, 70 percent of trade union members had voted for these left parties against 54 percent in the previous elections. <sup>21</sup>

The centre-left party leaders attribute a great deal of the success to the LO campaign. The trade unionists ran an effective campaign, and they contributed to more ideological and polarised discussions.<sup>22</sup> The SV representatives point out that LO's main contribution was to move the Labour Party towards the SV's programme against privatisation.<sup>23</sup> Besides, SV and the smaller radical parties – RV and the small Environmentalist Green Party - managed to mobilise their own and younger voters: they presented a joint mayoral candidate (SV's Knut Fagerbakke) and created an image of a common green platform in radical distinction to the Labour Party.<sup>24</sup>

After the elections, but before distributing posts in the new city government, four parties –

Labour, SV, RV and the Greens – agreed to bring one representative from each party together to write a programme for the new city administration. Three of the four negotiators were trade unionists, including the Trondheim LO leader Byrkjeflot, who represented RV. Of course, they produced a programme containing seventeen of the LO's nineteen demands. The Centre Party came on board, accepting this programme and



joining the majority coalition. The Labour Party wanted to include the Centre Party and the centre-right Christian People's Party, but SV vetoed the inclusion of the latter. The City Council elected Labour's candidate, Rita Ottervik, as the new Mayor and Knut Fagerbakke (SV) as the new Deputy Mayor.

The website of Trondheim's Municipal Employees' Union celebrated with the following greetings: "First we took Trondheim. Then we take the whole country." Adding: "We now wait for the results from the new city government."

### City setting a New Course

Trondheim LO has continued to monitor the performance of the new city government. In a published mid-term review, the Trondheim LO chairman concluded that a "new course had been definitely set for Trondheim, although a few steps are yet to be taken".<sup>25</sup> Other data support this view. The results so far can be placed in four categories:

1. Reclaiming the public services: "re-municipalisation"
2. Reinvesting in public schools
3. Expanding public services to those most in need: social solidarity
4. The city as a participatory work organisation

As pointed out above, the nation's welfare system has long been mainly a municipal system (Baldersheim, 2002). The new city government of Trondheim was addressing the pillars of the welfare state.<sup>26</sup>

*Reclaiming the public services: "re-municipalisation".*

The City Council ordered an immediate stop to all the on-going privatisation plans. With two small exceptions – the outsourcing of IT services and of two day-centres/cafés for the elderly – the reversal has been effective.<sup>27</sup>

- The cinemas of the city will remain a municipal property.<sup>28</sup> Negotiations have started to bring the bus company back to municipal ownership. Joint action with the county has been taken to reclaim the energy utility, encouraged by the policy declaration October 2005 of the new centre-left government ('*Soria Moria-erklæringen*').
- The two private companies involved in care for the elderly saw their contracts expired without continuation in 2006, and the same occurred to the private company in garbage collection.
- Municipal property holding and building maintenance have been de-corporatised. They are organised as municipal units and no longer as shareholding limited companies. The quasi-market relations among the municipal units (*bestiller/utfører-modellen*), have been critically reviewed.
- Bidders for municipal tenders as well as recipients of subsidies from the municipality, such as private nursery schools, are compelled to have collective agreements with their employees as regards salaries and pensions.

Although the Labour Party is sceptical of the concept of 're-municipalisation' and prefers a pragmatic approach to how units are organised, defending in many cases the shareholding model, they keep advocating 'public ownership'.<sup>29</sup>

*Reinvesting in public schools.*

Primary schooling (grade 1 to 10) is a predominantly municipal domain in Norway. Only two percent of primary school students attend private entities. This portion had swelled in the last years, however, due to a gradual deterioration in the quality of public schools – school structures were not adequately maintained, light and air conditions were below national work life standards, equipment (e.g. computers) left a lot to desire, and there were less teacher hours spent per pupil. Nursery schools were unable to meet the demand, so in this sub-sector private schools are fast increasing their share. By contrast, the new City Council has ensured:

- ‘A powerful upgrade of the school buildings’. In 2004 and 2005 there was an increase in the budgets for school rehabilitation of NOK 200 million and 50 million, respectively. In total, one billion crowns were invested in the period 2004-2007, that is one million NOK (€131,000) every day. This is unprecedented in the country. At the same time, caretakers have been reinstated at every school.
- A NOK 30 million (€3.6 million) increase of the annual capitation grant to the schools, as well as an (modest) increase of the teaching hours.<sup>30</sup> Free stays at camp school, usually in winter resorts, has also been secured. Leisure time music schools, swimming lessons, public libraries as well as other cultural expenditure benefiting the whole population have increased significantly.
- More social justice by putting a new budget allocation criteria system in place. For recurrent expenditure (capitation grant), not ‘all the money follows the student’. The size of the school, social conditions (children born of immigrants) and need for special pedagogical support is taken into consideration.<sup>31</sup>

In addition, the new City Council wanted to secure ‘full satisfaction of the demand for nursery schools’. From 2004 on, an impressive 1,700 new places were created by the end of 2006. This increase in supply, combined with a general reduction of user fees legislated by the national parliament on the initiative of the left parties, created new demand, however. Nearly 900 more children were on waiting lists in 2005.<sup>32</sup> While only one municipal nursery school was built during the 14 years of Conservative rule, 25 were constructed from 2003-7.<sup>33</sup> Consequently, even the additional demand could be met in 2006. That year Trondheim created twice as many crèches as Bergen, a substantially larger city run by the right-wing. Trondheim had reached universal coverage of nursery schools. ‘Look to Trondheim’, was the title of an article run by the most read newspaper in Bergen.<sup>34</sup>

*Expanding public services to those most in need – social solidarity.*

Care for the elderly has been a major concern. The staffing of homes for ill elderly people has been scaled up, albeit modestly<sup>35</sup>. The rhetoric about employing more ‘warm hands’ remains a bit shallow.<sup>36</sup> Still, 108 new places have been created in the municipal homes, and all clients are guaranteed their own rooms. In addition, free ‘security alarms’ have been supplied to every elderly person requesting it.<sup>37</sup>

In Norway, the state social security system mainly attends the needs of those earning rights through employment and work life. Those who for various reasons have not fully entered the labour market fall through the holes in the system – young single mothers, people with drug addiction problems or mentally ill people. For these groups, the municipalities provide a social security net called ‘social assistance’ – a monthly amount of money plus reimbursement of certain necessary expenses like electricity bill, dental bills etc. Although the government has set a nationally recommended rate for this assistance, many municipalities are far from reaching it. The social assistance budget is a low priority, underpinned by moralistic ‘workfare’ assumptions. The view of many local politicians is that people should not receive incentives for not looking for jobs (Abrahamson, 2002).

Thus, only one in four municipalities have increased their social assistance rate beyond the inflation rate in the last 10 years, and 36 percent of municipalities offer lower rates than those recommended by the central government.<sup>38</sup> Until 2003, City of Trondheim belonged to this category.

The issue amounts to a big poverty problem for the richest welfare state in the world. In bigger cities like Trondheim, five percent of the city's population between 20 and 66 depends entirely on municipal social assistance (SSB, 2002). Trondheim LO demanded a 50% increase in the assistance level to reach the nationally recommended rate. The new City Council agreed in principle, and it reached that goal in 2007.<sup>39</sup> In addition, the city built 200 new municipally owned flats, usually let to social assistance recipients at subsidised rentals.

The number of immigrants and asylum seekers has increased tremendously in the last ten to fifteen years. In 2004, the share of the population in Trondheim with a non-Western background had reached 4.7 percent. The new City Council, in particular its Deputy Mayor from SV, raised its voice against the central government's treatment of so-called 'unreturnable asylum-seekers'. The state had taken away their rights to social assistance and housing. The City of Trondheim pledged that every 'unreturnable' will be assisted. This promise was extended to any 'unreturnable' in any municipality in the country, offering Trondheim as a haven. The city also reintroduced free Norwegian language courses for all immigrants and asylum seekers. Special efforts have been made to include the children of immigrants and asylum seekers in municipal nursery schools. Eighty percent of these children attended kindergartens in 2005, against thirty percent three years earlier.<sup>40</sup>

The one third of the population without a private car has seen bus fares reduced by ten percent after an increase in municipal subsidies. The expansion of collective transport services is, however, pending increased government subsidies and local Labour Party support.<sup>41</sup> The city is in the national forefront in the development of alternative renewable energy.

#### *The city as a participatory work organisation.*

On 10 June 2004, the Labour Party Mayor of Trondheim signed a municipal framework agreement with the national head of the Union of Municipal and General Employees, Jan Davidsen. It provided for workers being actively involved in changes and organisational development with the aim of "improving and modernizing the scope of services without outsourcing or privatisation". For Davidsen, this was a national breakthrough for his union's radical concept of 'model municipalities' in opposition to prevailing neo-liberal and New Public Management practices. The concept had been tested out so far in five smaller municipalities. The Trondheim Agreement had national repercussions. A year later, from June 2005 on when the general election campaign started, it was used as the main 'red' card against the Labour Party.

Few national observers noticed the local follow-up of the agreement, however. A more detailed agreement was signed on 1 September 2004 by the Mayor, the City Manager (who formally executes the employer functions), and 26 employees' organisations. In addition to the local branch of Davidsen's national union, it was signed by the five other LO affiliates, the Teacher's Union and 21 smaller professionals associations. Only one association – that of non-graduate engineers –

did not sign for political reasons. It is referred to as a tri-partite agreement because the agreement formally consisted of three parts – the political leadership, the administrative leadership and the employees. Its implementation was to be supervised by a Steering Committee of nine persons: three politicians (headed by the Deputy Mayor from SV), three from the top-management, and three from the employees (one from the

Union of Municipal and General Employees, one from the LO social workers' union and one from the Teachers' Union).<sup>42</sup>

The methodology is that ideas of workplace and service improvements come first from the employees themselves in a bottom-up process. There are meetings in every workplace, and the local elected union representatives bring them to a joint gathering for the whole municipality. In the first gathering, 25 ideas were adopted unanimously, in the second gathering 20 ideas were embraced. The suggestions range from job rotations to nursery schools being open 24 hours a day, from joint management of all green areas in the city to closer co-operation between the fire stations and the water works. A working group elaborates each suggestion, with a development supervisor recruited from among the employees. Progress was hampered, however, by delays in deciding who should train the development supervisors.<sup>43</sup>

### **Why not more radical participatory reforms?**

While the joint programme of the left majority is strong on participation of the municipal employees and their unions, it promises little about increased direct participation from the public. Nevertheless, the new city council has started to implement three reforms in partial response to ideas from the outside world: firstly, the City Council of the Youth; secondly, an Annual Municipal User Conference for every service sector; and thirdly, the 'Politicians-meet-the People' Forum.

The *City Council of the Youth (Ungdommens Bystyre)* was constituted in May 2005 in response to 'Local Agenda 21'<sup>44</sup>. This council was established to enhance democracy education, political participation and influence among the youth. It consists of one representative from each upper primary school (age 13 to 16) and secondary school (age 16 to 19), elected by the pupils' council of each school.<sup>45</sup> It is mainly a body for consultations, although it has been delegated some decision-making powers, disposes 500 000 NOK for child and youth related activities, and can freely pass resolutions on any issue.<sup>46</sup> It has three sub-committees: The 'growing up' committee (on school, leisure and other services for children and youth), the urban development committee, and the environment committee. The City Council of the Youth has been quite pro-active and successful. For example, it has taken initiatives to carry through some pedagogic reforms on a pilot basis. It also organised support to save a sports park from urban development. It has been more influential in decision making on many school issues than other groups such as parents and teachers.<sup>47</sup>

The *Annual Municipal User Conferences*. In every municipal service-providing unit (school, centre for the elderly etc), there is a user council. The red-green city government introduced a new channel for direct influence on budgeting, action plans and long-term plans: an annual gathering of all the user council members in the sector. The user representatives then meet the city administration and the city council sub-committees of the sectors. Deliberations may result in recommendations that are put to the vote in the City Council, so far they have been accepted every time.<sup>48</sup>

The '*Politicians-meet-the-People' Forum (Politiker-torget)* was decided on in September 2005. It is a venue where individuals or group representatives can discuss their requests or complaints with a forum of all party fractions of City Hall. Citizens must make their requests or complaints known to the municipality beforehand by e-mail or telephone. There has been no overload of requests, and no selective process has been necessary to apply. The politicians then set up the agenda for the forum, which takes place every second Monday and is open to the public.<sup>49</sup> This is mainly a channel for organised interests, although initiatives from very marginalised groups like drug users and former orphanage dwellers have got their way through this Forum.<sup>50</sup> A more mobilisation-based type of citizen intervention is facilitated by a new provision in the national Municipality Act

– The Citizens’ Initiative provision. It assures that a written petition with more than 300 signatures (eventually signatures from more than 1 % of the registered voters) will be discussed in the municipal council. However, this facility has yet to be explored in Trondheim.

When it comes to crucial decision making, like urban development plans or the city budget, there have been no changes. While physical development plans must be presented at public hearings and all citizens involved must be consulted according to the Municipal Act, there are no such demands on the budgeting process. In Trondheim, the city budget procedures are as follows: First, the city manager elaborates a complete budget proposal. S/he must not undertake any prior consultation, not even with the Mayor or the council’s standing committee on finances.<sup>51</sup> Then, the budget is made public in early October, with huge attention paid by the local mass media. Lobbies and civil society groups convey their reactions to the politicians. Although the budget is then discussed in the council standing committees, back benchers seem to have little real influence. The main changes on the City Manager’s budget are agreed upon in informal bargaining meetings among party fraction leaders, in particular those in the majority bloc that have agreed to budget co-operation.<sup>52</sup> In the current period, this bloc consists of the centre-left parties.<sup>53</sup>

The new ideas of Participatory City Governance do not seem to have reached Trondheim much yet, except for the youth and user councils mentioned above. European proponents of such reforms are convinced that ‘politics’ in the sense of encouraging actors to articulate their interests and deliberate on their common purposes is ‘part of the solution’ – not ‘part of the problem’. The core idea is that the more relevant participants are incorporated within a policy-making process, the greater the chance that the measures taken will be voluntarily accepted and effectively implemented, and thus the greater the expectation that the policies agreed on will be sustainable. Moreover, such a view on participatory politics is directly relevant with regards to innovation (Gbikpi and Grote, 2002).

One of the reasons for the conservative position on governance reform is that the Socialist Left Party did not include Participatory Budgeting in its programme before March 2005. The Trondheim representatives of the Party were not familiar with the concept.<sup>54</sup> In a public meeting on the subject organised by Trondheim Attac in October 2005, all party fraction leaders were invited, but only two councillors turned up – one from the Environmentalist Greens and one from the Labour Party, the latter being the chairperson of the standing committee on finances.<sup>55</sup> Participatory Budgeting had been properly discussed only in the Oslo City Council, after a Citizen Initiative in 2004. The initiative proposed experimentation and further inquiry on the matter. Only the radical left – SV and RV – embraced this proposal, with support from the social-liberal party (*Venstre*) and some sympathy gained within the Labour Party. The proposal was abruptly rejected by the right-wing majority of Oslo City Council (Braathen and Harvold, 2005).

Apart from the Oslo initiative, why is there not more popular pressure for direct and empowered citizen participation in Norwegian cities? The conjunction of several factors may explain why municipal institutions enjoy a relatively high legitimacy, and why grievances against them are well handled by the existing political-institutional system of representative democracy:

- In functional terms, the Norwegian municipalities are mainly service providing organisations. They are the pillars of the welfare state. Service provision is generally carried out effectively and professionally, and the ‘municipal welfare state’ is very popular. Norwegians are very satisfied with their municipalities, at least more satisfied than people in other Western countries. This does not mean that there is no

tension between the utilitarian (welfare producing) and democratic (self-governing) goals of the Norwegian municipalities, but most people prefer to leave the management – or brokerage - of this tension to the politicians.

- In structural terms, city municipalities are relatively small in size,. Only Oslo is two-tiered with some authority delegated to directly elected zone committees (*Bydelsutvalg*). Hence, local self-government is brought close to the citizenry. When cities are governed as widely consultative and accessible entities, surrounded by a dense civil society and vital mass media, there is little articulation of political alienation. In spite of not having wards or ward-based councillors, the municipalities are perceived as responsive, transparent and accountable organisations. Mismanagement and abuse of resources tend to be discovered at early stages, thus there have been very few cases of corruption.<sup>56</sup>

In other words, Norway is a *well-functioning, decentralised and democratic welfare state* (Rose, 2005). Some aspects of the political, administrative and civic cultures might underpin this:

*1. Political representation works.* If a municipality is perceived as badly run, the electorate is disciplined and waits for the first opportunity – elections held every 4 years – to change the composition of the city council. The electoral-representative system provides effective ‘corrective’ feed back mechanisms. All political parties in Norway have a mass membership organised in relatively autonomous local branches, and more often than not they manage to provide constructive criticism of their municipal representatives if they are becoming too unpopular. If the parties do not manage to cope with internal opposition, people break away and form independent fractions or lists. There is a low threshold in the proportional representation system of Norwegian elections, making it easy for small parties and/or new lists to gain seats and influence.

*2. Local budgeting is a technocratic discipline.* Budgeting is both very political and very technical because of the complicated central-local relations involved in public service provision. It is politicised at the central level, since the state budget contains the main parameters for municipal finances. The mayors do their best to lobby the central politicians, not only for particular interests but also for collective welfare-municipal interests. They usually argue in national political debates that they have to cut certain welfare services if transfers to the municipalities are not increased, or keeping pace with the needs. At the same time, budgeting is also very technical – at the local level, with the application of statistics and criteria-based allocation systems. The city manager presents his or her budget proposal just a few days before the Minister of Finance presents his or her budget, and the former budget has to adapt to the latter. Municipal budgeting is thus part of a technocratic domain. What is left to local discretion and political priorities is very little, so little that the elected municipal councillors might be eager to keep this limited room-for-manoeuve for themselves, and not share it with non-elected or ‘non-representative’ people.

*3. People are more workplace than public space oriented.* This has long traditions, maintained by the insistence on ‘full employment’. The assumption is that every adult should work – salaried work is both a social right and a moral obligation. The labour movement has secured a focus on direct participation, even democracy, in workplaces. There is not yet a similarly strong discourse on citizen participation, perhaps because many people feel they get their need for direct participation satisfied at work or through their trade unions. This may explain why a progressive entity like the Municipal Employees’ Union is not more challenged to involve users directly in their participatory reform efforts.

*4. Civil society is very dense with vested interests.* Voluntary associations play an important part in most citizens’ lives and have a high standing in public life. The associations have plenty of voice in public policy making both

nationally and locally, they have easy lobby access to decision-makers, and they benefit from generous public funding for parts of their activities, often as part of universal support arrangements. Civil society organisations enjoy being the link between the citizens and the state. Although most of them concentrate on cultural, sports and other leisure activities, their share of social service provision has been increasing over the last decade. They have vested interests in the current political-institutional system and might feel threatened by more direct citizen participation.

Strong institutional underpinnings notwithstanding, there are some mounting threats against the well-functioning of this decentralised welfare state (Rose, 2005):

*Firstly*, the welfare state is very costly and depends on a solid tax revenue base. Neo-liberal globalisation spurs downward-spiralling tax competition, and this undermines any welfare state arrangements anywhere in the world. There is a limit as to how much one can expand the taxation of ordinary citizens and small/medium enterprises, when the super rich and large corporations enjoy tax holidays. So far royalties and tax revenues from the off shore oil industry has fenced the Norwegian welfare state off from tough policy choices. Nevertheless, there are signs that the influence of the right-wing populist Progressive Party, with its radical tax-cutting profile, will grow. The centre-left forces may be forced to introduce more radical ways of legitimising high taxation.

*Secondly*, while there is consensus in Norway on solid public funding of services like education, health and care for the elderly, the assumption that these services should be *provided by public employees* is under strong attack from private business and employer associations, as well as from the Progress Party and the Conservatives. Unless the unions of public employees manage to forge strong links with the citizens as users of their services, and unless they can attract the centre-left parties to political reforms strengthening these links, their ranks will be broken. In other words, a stronger producer-user alliance behind public service provision is needed to strike back at the right's renewed privatisation efforts embodied in the market-based service provision model. In the education, health and elderly care sectors, these alliances can be made only by bringing the users *qua* citizens into more empowered participatory relationships.

*Thirdly*, the welfare state has not been able to eliminate a constant reproduction of poverty and social exclusion. There are constantly *new layers* that need to empower themselves, assert their social and economic rights, and shape public policies and service provision accordingly. The Norwegian welfare state tends to approach impoverished or excluded groups in a paternalistic way (Abrahamson, 2002). Norwegian cities, in charge of the safety nets and social assistance programmes, do not carry out real dialogue and negotiations with these often stigmatised groups. Participatory democracy, as a complementary measure to representative democracy, could inject innovations into the municipal welfare system and make it more dynamic, reforming it from below, with and for those most in need.

*Fourthly*, there has been a steady decline in voter turn out at every local election over the last 40 years. The decline in turn out is particularly sharp among young 'first-time' voters.

Trondheim is a good example of how these challenges, except perhaps the youth involvement challenge, are not met pro-actively. Not even the most progressive city government in Norway today has a clear strategy. Trondheim's city council majority is afraid of increasing local taxes, such as property tax, seemingly afraid of citizens and doubtful of their inclination to agree to enlightened policies. In its agreement with the municipal employees to develop and innovate service provision, citizens are left out of the participatory programme. While it wants to do its best for immigrants, asylum seekers and social assistance recipients, the City Council

has not created any new transparent channels for dialogue and negotiation with these groups. In its urban economic planning, the City is yet to invite actors to articulate their interests and encourage deliberation about their common purposes.

### Concluding remarks

One may derive three sets of lessons from the Norwegian case of Trondheim City.

*A. "The return of the working class".* The progressive city experiment was brought about by what was a radical innovation in the national context – independent trade union politicisation and initiative. The local trade union confederation, Trondheim LO, paved the way by mobilising its members in formulating an alternative government programme. They then challenged the political parties to support its programme expressed in nineteen demands, and they managed to rally a majority of parties and voters around this programme. In other words, we see an amazing example of what Boris Kagarlitsky called "the return of the working class" (Kagarlitsky, 2000). Under enlightened working class leadership, two types of alliances were revitalised. The first alliance in place was between the 'old' and 'new' left – between the forces of the grand old Labour Party and the forces of the younger Socialist Left Party. The second alliance was between the labour movement and the Centre Party, traditionally based on the farmers' movement. This was a revival of a 70-year old alliance. The two alliances merged and may form, in Gramsci's terms, a new historical bloc.

*B. The reclaim of public service.* The Trondheim experiment rose to national fame, and influenced the outcome of subsequent general elections, because it outraged the right-wing parties. Why? Four corner stones were erected: 1) Public services were reclaimed. Not only was the provision of services brought back to public employees, through "re-municipalisation", but the virtues of public service were rehabilitated – its user-friendly ethos and its tax-payer friendly low costs (as compared to for-profit-service providers) were accentuated. The neo-liberal 'public choice' programme was attacked at its core – its basic assumption that the public service ethos was dead or outdated was addressed and undermined. 2) Public schools were re-armed, and enough nursery schools have been built to meet the growing demand spurred by ambitious policies. Every child has access to a subsidised creche. 3) Social solidarity was renewed, by expanding public services to those most in need (social assistance recipients, asylum seekers and others). The right-wing rhetoric of 'targeting' those deemed to be the deserving poor (or poorest) with separate charity-type arrangements was rejected. Instead, these groups were to be incorporated into universal welfare arrangements based on equal rights. 4) The positive role of ordinary workers in wealth and welfare creation was emphasised. Municipal and other public employers should thus regard employees' participation, and not external market entrepreneurs, as key to improvements.

The Trondheim 'spirit' helped kill the long time national consensus between the Labour Party and non-socialists that free markets had to be encouraged, that the public sector had to be 'modernised', and that private sector methods of management were the ultimate tools of that modernisation (New Public Management). At the national level, the Labour Party as well as the Centre Party swung to the left and promised to halt the privatisation of public property and outsourcing of public services. The people of Trondheim gave left parties even more votes in 2005 and 2007 than in 2003, making it the strongest city of the left. Again, Trondheim LO applied the method of formulating its own programme and, in alliance with other social movements and youth organisations, challenged all the parties. On the initiative of Attac, Oslo City LO and other progressive entities joined a similar campaign in the capital.<sup>57</sup> After the September 2005 electoral victory, the national leaders of the centre-left parties did as in Trondheim two years earlier: before forming a government, they formulated a joint programme, received people's deputations and heard activists' demands while negotiating. Policies, not



patronage, were to set the rules of the game.

*C. The constraints of institutional inertia.* The new Trondheim City Council, with the intention of radical change, faced resistance from the old ways of thinking and doing things at local and national levels. Among municipal bureaucrats and politicians, political manifestos change the day-to-day practice only to some extent. There are several areas of inertia. If the main hegemonic project is to 'reclaim public service', there are three issues that the new city council has addressed rather superficially: (i) the 'principal-agent' model of management; (ii) 'de-commodification' as the basic assumption of the welfare state; and (iii) participation as a key to public revival.

(i) The 'principal-agent' model of management. While leading Labour politicians and city managers are content to keep strategic control in terms of 'public ownership', they are not ready to eradicate quasi markets and capitalist management from their domains. They are fond of the principal-agent model. Time and time again, managers suggest the 'easy' solution to problems – outsourcing and calls for tenders from the private market. While the progressive forces of the ruling coalition managed to bring the outsourcing of garbage collection to an end, and they are right to celebrate this as a big victory, they did not manage to re-municipalise the organisation of these services. They continue to be operated by a shareholding company, though in June 2006 that company was ordered by the owner (the municipality) to cut costs by 13 percent within 3 years. The aim is to reach the average market 'unit price' for collected garbage. This decision is mainly based on the recommendations of Ernst & Young consultants, while the employees are invited to take part in the management of cost reduction.

(ii) 'De-commodification' as the basic assumption of the welfare state. According to Gösta Esping-Andersen (1990), the secret of the expansion and sustainability of the Scandinavian welfare state was that it satisfied people's needs by replacing market commodities with public goods. This process of 'de-commodification' was made step-by-step, transforming services according to popular opinion and public economic-organisational capacity. Norway and Trondheim today, arguably, has strong popular support and sufficient public sector capacity to extend de-commodification. In Trondheim, however, its leading bureaucrats and Labour politicians are not ready. They rejected Trondheim LO's demand to de-commodify urban land use. LO wants to stop the take-over of productive industrial land by financial speculators and real-estate-developers. LO suggested that the workers of the owning company should agree to any change in land use status, and that there will be a ten-year freeze on such changes after the closure of any industrial enterprise. Another field ripe for de-commodification is collective transport. Environmental and socio-economic arguments are strongly in favour of expanding the public transport network while sharply reducing the fares. The Socialist Left Party and the Greens are pushing for this. Still, the Labour Party is opposed, and the environmentalists in Trondheim have to put their faith in increased earmarked subsidies from the central government to see any progress on the ground.

(iii) Participation as a key to public revival. The Trondheim centre-left government has a strong instrumental-utitarian focus on service provision, while it is weak in addressing local democracy reform. Its governance agenda includes more active participation by workers in efforts to improve service provision, while the inclusion of citizens to enhance participatory democracy has been a secondary issue thus far. The introduction of the City Council of the Youth and the Annual Municipal User conferences indicates, however, that change is on its way. Nevertheless, participatory budgeting as a tool to expand public space and local democracy has not been considered. On the other hand, trade unionists report that there is extremely slow implementation of the agreement to mobilise workers to take an active part in organisational and service development. This may hamper the improvement of public service provision. The Trondheim example may not, therefore, serve

to effectively drive back the arguments from the right wing that “user and inhabitant interests are hampered, particularly when it comes to the freedom to choose”.

One might expect, however, that Norwegian conservatism against direct and participatory democracy will be addressed mainly by those who want to see the welfare state not only survive but even expand. High levels of taxation need new and more radical means of legitimisation. The ‘new poor’ groups need to empower themselves, assert their social and economic rights, and shape the policies and services of the municipal welfare state. A strong user-producer nexus in public service provision is needed to fight against market-based arrangements, both by example and by voice. Trondheim LO wants workers in the private sector also to have a say in public (municipal) affairs – particularly by having access to better information at earlier stages of the decision-making. This may be articulated as a plea for more direct citizen participation. The Socialist Left Party has renewed its national leadership, with a key protagonist of more direct and participatory democracy as Deputy Chairperson. It is likely that new and distinctive aspects of its party programme, like participatory budgeting, is emphasised in coming elections. A mode of public action increasingly characteristic of the Nordic countries since the 1970s is the *‘joint administrative experiment’*. These experiments allow for joint policy-making across levels of government and represent a channel of influence for local governments on national policies (Baldersheim, 2002). In a written statement, the leader of the national union of municipal employees, Jan Davidsen, has urged the new government to strongly refuel funding for such experiments in the municipal sector.<sup>58</sup> Trade unionists are open to more deliberately including users/citizens in their visions for a future municipality.

At the national level, there are other institutional constraints. The main one is the prudent macro-economic policy of the centre-left Stoltenberg government. Norway has a municipal welfare state, and service provision maintenance is 44 percent dependent on transfers from central government. The new government seems to be sticking, however, to the same conservative (neo-classical) economics as the previous government. It wants to balance the budget, reduce the use of oil revenues for public consumption, and keep the balance between public and private economies – their respective share of national consumption and investments – in favour of the private, rather than public, sector. All this, they argue, is required not to inflate the economy. The fact that the leader of the Socialist Left Party has become the Minister of Finance does not seem to have made any significant difference. The only change is towards a slightly ‘smarter’ and ‘more social’ use of existing public resources. Municipalities do receive six percent more in transfers than in previous years. This compensates for the previous governments’ arrears, but it remains to be seen whether it can facilitate expanded and improved public services beyond the nursery school sector.<sup>59</sup>

In sum, a new political bloc emerged in the city of Trondheim, responding radically to global policy trends, and having a decisive influence on national politics. It shows that forces of the old industrial society – the trade union movement and the Labour Party - had the capacity to rebound and win new victories when it (i) formulated clear ideological alternatives to neo-liberalism and (ii) was seriously committed to an alliance with other left-wing and popular forces. Could this have taken place outside Scandinavia? There is a distinct social-material base for this struggle-from- below in a country like Norway: 35 percent of the total welfare and social expenditures are spent on public labour-based service provision, compared to an average of 10 percent in OECD countries (Abrahamson, 2002) This gives the municipality-centred labour movement extraordinary muscle and political brain, and an alliance with the beneficiaries of the welfare state – a large majority of the population – should be forged with relative ease.

The Trondheim-type alliance remains weak, however, when it comes to instituting new ways of governing and

producing services. More open and participatory-democratic relationships need to be established – not only between the various forces of the alliance, but also between the City and the citizens. If the point is to ensure a new lasting hegemony, renewed initiatives from the trade unions in combination with more self-assertive mobilisation from the new, socialist and green left seem to be the key.

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## ENDNOTES

- Trondheim is Norway's third biggest city, linking the north and the south of the country.
- 2 Norwegian Broadcasting Company. [www.nrk.no](http://www.nrk.no) , 13 September 2005
  - 3 Ms. Erna Solberg to Norwegian Broadcasting Company ,[www.nrk.no](http://www.nrk.no), 23 August 2005.
  - 4 Ms. Erna Solberg, *ibid*.
  - 5 In the 2007 elections, the Labour Party in Trondheim again presented a platform more to the left of the mainstream of the party. Once more, strong mobilisation among the trade unions contributed to a third consecutive electoral victory for the Labour Party. Also the Green Party and the Red Electoral Alliance made gains. However, the Socialist Left Party lost many votes to the Labour Party. This can be attributed partly to a combination of factors: weak performance of the Socialist Left in the national red-green government, bad electoral campaign of the national party leadership, unfavourable coverage by the only local newspaper (conservative, anti-SV), the popularity of the Labour Party mayor. Ms. *Hilde Opoku*, the Socialist Left Party chairperson of the child and youth sub-committee of the City Council. Interview 25 January 2008.
  - 6 Norway was a province under Denmark for five centuries, until 1814. Then Norway was in union with Sweden until 1905.
  - 7 The same year as Venstre was formed, The Right (*Høyre*) was established. *Høyre* was based on the civil service and the urban elite. Highly monarchic, it opposed the introduction of parliamentary rule. It has remained the main conservative party in Norway.
  - 8 'Centre-left' here means a political alliance between the Centre Party and the traditional left wing parties. In Rokkan's analytical scheme, however, the Centre Party belonged to the (rural) periphery, and the alliance should rather be termed 'periphery – left'.
  - 9 The public sector share of GNP, in terms of public service provision, varied between 19.2 and 22.5 % of the GNP in the period 1999-2005. Redistribution of tax revenues back to private households and organisations varied between 19.3 and 16.9 %. The municipalities' share was 12.8 percent in 2001 and 9.6 % in 2005. This decline has two explanations: (i) the public hospitals were transferred from (county) municipalities to the state in 2001, and (ii) the policy of the conservative government 2001-2005.
  - 10 This story of 'Trondheim under the right wing' is based on a synthesis of open sources and the cited interviews.
  - 11 In Norwegian : 'bestiller/utfører-modellen.'
  - 12 Mr. *Arne Byrkjeflot*, chairperson of Trondheim LO, representative for the Red Electoral Alliance (RV) in the City Council, and chairman of the City Council sub-committee for industrial development. Interview 6 June 2005.
  - 13 Mr. *Espen Hernes*, activist in Svartlamoen Housing Association. Interview 27 October 2005.
  - 14 Mr. *Rune Olsø*, head of the Labour Party caucus in the City Council. Interview 27 October 2005. The smelter was taken over by foreign owners in 1991. The Ila Lilleby company was not liquidated in 2002, but continued as a real estate actor.
  - 15 LO – "Landsorganisasjonen" means literally 'The Country-wide Organisation'. The full name was originally 'The Sindical Country-wide Organisation of the Workers.'
  - 16 Still, the unemployment figures for the country in total were even lower: 3.4 % for men, and 3.0 % for women. (SSB, 2002. In June 2005, the national unemployment figure had fallen to 2.8 %.
  - 17 Mr. *Arvid Opdahl*, head of the largest LO union in Trondheim, the Union of Municipal and General Employees ('Fagforbundet'). Interview 27 October 2005.
  - 18 Mr. Arvid Opdahl, *ibid*.
  - 19 Wahl, 2006. Mr. Asbjørn Wahl is the national coordinator of the Campaign for the Welfare State, worked as an advisor to the transport as well as municipal worker unions, and is one of the founders of Attac Norway.

- 20 Mr. Arvid Opdahl, op.cit.
- 21 Mr. Arvid Opdahl, ibid.
- 22 Mr. Rune Olsø,op.cit.
- 23 Mr. *Knut Fagerbakke*, Deputy Mayor (SV, the Socialist Left Party). Interview 27 October 2005.
- 24 Mr. *Harald Nissen*. Representative for the Environmentalist Party the Greens in the City Council. Interview 6 June 2005.
- 25 Mr. Arne Byrkjeflot, op.cit. .
- 26 Local government in the Nordic countries holds an important position in the overall public machinery, with cradle-to-grave responsibilities for citizen welfare. In 2002, mother/child and other primary health care consumed 4 % of Trondheim’s total municipal spending, nursery schools 8 % , primary schools - grade 1 to 10 - 23 %, and elderly care/other social assistance 25 %. The municipal sector’s share of the public sector spending in Norway has been around 60 % (SSB, 2002).
- 27 Mr. Arne Byrkjeflot, ibid.
- 28 The municipalities have by national law since 1918 the right to exclusively own and run the cinemas in their cities. The cinemas have normally produced big profits for the municipalites, and these profits have been spent on other activities in the cultural sector.
- 29 Mr. Rune Olsø, op.cit The Labour Party representatives have seen to that the cinema, the renovation and the parking units remain organised as shareholding companies.
- 30 Teachers salaries are determined through national bargaining (and have increased significantly the last years), while the total teacher employment and thus number of teaching hours spent per pupil is decided by the Parliament’s budget vote. After years of decline, the right-wing parliament majority increased this amount slightly for 2005, probably due to the up-coming general elections.
- 31 Ms. *Elin Kvikshaug Berntsen*, head of the Socialist Left Party caucus in the City Council. Interview 6 June 2005
- 32 Mr. Rune Olsø, op.cit
- 33 Ms. Elin Kvikshaug Berntsen, op.cit. and Trondheim SVs ‘*Political accounts (2003-2007)*’. <http://www.sv.no/sor-trondelag/trondheim/bystyret/regnskap/dbaFile135336.html?print=true>
- 34 The no.1 newspaper in Bergen, *Bergens Tidende*, 2 September 2006.
- 35 120 new full-time jobs had been created in the health and elderly care institutions of the municipality. Trondheim SVs ‘*Political accounts (2003-2007)*’, op.cit.
- 36 Mr. Arne Byrkjeflot, op.cit.
- 37 Ms. Elin Kvikshaug Berntsen, ibid.
- 38 The Oslo daily newspaper *Aftenposten*, 28 July 2006.
- 39 Trondheim SVs ‘*Political accounts (2003-2007)*’, op.cit.
- 40 Ms. Elin Kvikshaug Berntsen, op.cit.
- 41 Mr. Knut Fagerbakke,op.cit.
- 42 Mr. Arvid Opdahl, op.cit
- 43 Arvid Opdahl, ibid. Actually, the city management wanted to outsource the training to external consultants, while the employee representatives argued that the unions possessed the qualified people needed.
- 44 Local Agenda 21 is a United Nations initiative that provides a framework for implementing sustainable development at the local level.
- 45 The representatives from the upper primary school are responsible for consulting the pupils in the lower primary schools in their districts. Every school class has one hour on its own every week for discussing issues from the city council of the youth and other issues. Ms. Hilde Opoku, op.cit.
- 46 Mr. Knut Fagerbakke.
- 47 Ms. Hilde Opoku, op.cit..

- 48 Ms. Hilde Opku, *ibid*.
- 49 Mr. Rune Olsø, *op.cit.*.
- 50 Ms. Hilde Opoku, *op.cit.*
- 51 Mr. *Ole Kristian Lundereng*, representative for the Labour Party in the City Council and chairperson for the economy and finance sub-committee. Interview 28 October 2005.
- 52 Mr. Ole Kristian Lundereng, *ibid*.
- 53 The extreme left represented by RV, however, has chosen not to be part of this type of decision-making behind closed doors and because they oppose the very 'responsible' principle of 'keeping the budget balance'. The LO leader, Mr. Byrkjeflot, who is one of RV's two councillors RV, lamented this. He would prefer that RV took part in the bargaining majority bloc, because then the support from the more moderate Centre Party would not be necessary to ensure a majority.
- 54 Mr. Knut Fagerbakke, *op.cit.*
- 55 Mr. Ole Kristian Lundereng, *op.cit.*
- 56 However, more examples of corruption in the municipal system have been revealed in Norway the last years. Critics may argue that the Norwegians have been blue-eyed for too long and put too much trust in the political-administrative system.
- 57 Mr. Arne Byrkjeflot, *op.cit.*
- 58 The Oslo daily newspaper *Klassekampen*, 12 August 2006.
- 59 The increase was 5.7 billion NOK. A 'natural' increase in tax revenues due to high economic growth adds 4.1 billion NOK to the municipal revenues for 2006 (*Klassekampen*, 18/08/06), and this had to some extent softened the pressure on the centre-left government.