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‘Walking the extra mile’: how governance networks attract international organizations to Geneva, The Hague, Vienna, and Copenhagen (1995-2015)

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Citation

Groen, R. S. (2022, November 24). *‘Walking the extra mile’: how governance networks attract international organizations to Geneva, The Hague, Vienna, and Copenhagen (1995-2015)*. Eleven, The Hague.
Retrieved from <https://hdl.handle.net/1887/3487203>

Version: Publisher's Version

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Note: To cite this publication please use the final published version (if applicable).

SUMMARY

'Walking the extra mile.' How governance networks attract International Organizations to Geneva, The Hague, Vienna, and Copenhagen (1995-2015)

The number of International Organizations (IOs) has increased in the last few decades, and so has the number of cities that are eager to attract them. IOs bring in prosperity, an enhanced reputation, and they often act as a magnet to other interesting international enterprises, people, and activities. However, competition between cities has increased, and while cities and host states work to attract IOs whenever the opportunity arises, the best procedures and strategies have not yet been well analyzed. This thesis explores the successes and failures of governance networks attracting IOs to four small to medium-sized cities: Geneva, The Hague, Vienna, and Copenhagen. In doing so, it uses insights of public administration within the field of governance networks. The study's subject is limited to IOs with universal (worldwide) membership. The processes of attracting and retaining IOs have received little attention in public administration. This research links international relations with local components. A focus on how networks lobby, and how they are composed and operate, sheds new light on this theme.

The research question is: *What contributes to the successes and failures of governance networks in small to medium-sized Western European host cities in attracting International Organizations?* The analysis of eight case studies of failed and successfully attracted IOs seeks to answer this question. This study uses three different perspectives: an instrumental, discursive, and relational. The focus of this study is on how headquarters or departments of IOs are attracted, while also considering the local dynamics of these processes.

This research attempts to contribute to the governance network literature. Many studies indicate that more internal cooperation and the development of coherent policy work well, but this study questions that and finds that other aspects may be more important. This research links lobbying literature with network literature and international relations with a local perspective. This interdisciplinary way of looking from the network perspective provides innovative insights into thinking about local policy processes around IOs.

The first and second chapters of the thesis motivate and describe the three perspectives, on which the sub-questions and expectations are based:

- *Instrumental: How does host policy design and its implementation contribute to success?*
 - **Expectation 1:** *The more the bid books are aligned with the attraction policies, the higher the likelihood of success in attracting IOs.*

- **Expectation 2:** *The more positively the respondents in the city perceive the host policies and support, the higher the likelihood of success in attracting IOs.*
- *Discursive: How do overlaps of perceptual frames of the networks involved contribute to success?*
 - **Expectation 3:** *The more the priorities and narratives overlap between the organizational network and the policy network in the host city, the higher the likelihood of success in attracting IOs.*
 - **Expectation 4:** *The more the priorities and narratives overlap between the organizational network and the IO representatives in the host city, the higher the likelihood of success in attracting IOs.*
- *Relational: How do network characteristics – such as the level of cooperation, centrality, diversity, and size – contribute to success?*
 - **Expectation 5:** *The higher the perception of good cooperation between the main players, the higher the likelihood of success in attracting IOs.*
 - **Expectation 6:** *The higher the actor centrality of the involved, the higher the likelihood of success in attracting IOs.*
 - **Expectation 7:** *The higher the network diversity and number of the actors involved, the higher the likelihood of success in attracting IOs.*

The first sub-question builds on instrumental concepts and is derived from collaborative policy design literature (Howlett, Mukherjee, & Rayner, 2017) and implementation and perception studies (Hill & Hupe, 2002; Pülzl & Treib, 2007). The second question is approached with a discursive approach and stems from institutional and discursive literature (Peters, 2012; Boräng & Naurin, 2015). The third question originates from network performance literature (Kenis & Provan, 2009; Emerson, Nabatchi, & Balogh, 2011) and policy network analysis (Wasserman & Faust, 1994; Scott, 2013).

To nuance the outcomes of the attraction processes, I approach success in two ways: success as fact and perceived success, mainly following McConnell's (2010) realist approach. Both are successes by degree, of which the first is established as identifiable moments in time. I categorized a case as a factual failure (falling out of the race early in the process), moderate factual failure (first stage), moderate factual success (one of the last two options or only just won with small margins), or a factual success (won with a large majority). The second measure of success is perceived success. I identified four degrees: a perceived failure (a failure that is perceived as a failure), a moderate perceived failure (a failure perceived as a success), moderated perceived success (a success with clear drawbacks), and a perceived success (a success perceived as a success).

The cities are selected based on similar size, Western European, that have experiences with attracting IOs in similar topics. In these cities, eight cases are selected, a failed and a successfully attracted case per city. These cases are of all sorts of size and type, differing from IO, UN, and Quasi-IO (a hybrid between NGO and IO). For the qualitative analysis, I used in-depth interviews (N=175 interviews with 150 respondents), over 200 documents containing bid books, policy strategies, correspondence of governments with IOs, records of city council meetings, websites, and policy reports about host policies.

Scholars in the field of governance and public policy often agree that better policy alignment and cooperation in networks increase the chance of success. The findings of this study contradict this. In the reality of governance networks attracting IOs, considering the interests of IOs proved to be more important than having matters 'in order' internally. This result is found on different levels. First, the findings suggest that host policies need flexibility and adaptability in the topics and needs of the IO that they want to attract. Secondly, the overlap of priorities and narratives between governmental groups led only partially to network success. Thirdly, my observations suggest that there may not be a link between perceived good network cooperation by those involved and the likelihood of success. These findings suggest that it is not so much internal coordination that is crucial in a governance network attracting IOs, but rather being externally oriented and considering the needs of employees of IOs.

The second finding is that 'betweenness centrality' (how many connections someone had) shows more effect on network success than 'degree centrality' (how frequently actors met). Having more than one central actor and the presence of sub-networks contribute to success. Furthermore, the political context and actor types could have a crucial effect on the process. The importance of sub-networks agrees with the work of Provan and Sebastian (1998) and Provan and Lemaire (2012). Taken together, these findings suggest that looking more at the actor level when analyzing governance networks could be rewarding. This furthers the theory of 'institutional plugs' or single actors whose influence might be more important than the mechanisms of networks at large (Bosselaar & Bannink, 2021).

The third finding of this thesis is the importance of the diversity of the governance network. The more diverse the core networks – the organizational networks and surrounding actors – preferably with the 'Third UN' (specialists, businesses, academics, NGOs), the higher the network success. An explanation for this finding is that, again, it is not the internal coherence of the governance network that leads to success, but diversity and the inclusion of 'others' in the network and surrounding actors. This finding reinforces the recent findings of Junk (2019) who showed that diverse networks have a higher level of lobbying success, and Phinney (2017), who provided a rich qualitative analysis with his positive findings of the 'strange bedfellows' argument.

I have found that attaining the alignment of policy goals, as often propagated in collaborative policy design literature (Mukherjee & Bali, 2019; Rogge, 2018) has not been found beneficial for attracting IOs. Also, I have shown that similar perceptual frames within a network are less likely to result in success than those between the governance network and the to-be-attracted IOs. This advances the theory of *overlapping discourses*, as it gives evidence that an overlap of narratives between different groups is more advantageous than between similar groups, when pursuing successes in attracting IOs. The third theoretical advancement this study has achieved is that it shows that ‘institutional plugs’ (Bosselaar & Bannink, 2021) or so-called *weak ties* are essential for an effective network governance. This leads to the suggestion that more attention is needed for the specific actors and their characteristics in networks, instead of how networks ‘as a whole’ or *whole networks* operate, as suggested by Provan and Lemaire (2012).

Practical implications

My findings lead to several suggestions that are crucial for governance networks attracting IOs. First, keep an external orientation of the network and maintain good contacts with IOs in the host city. Secondly, make sure there is a continuity of the host policy within the city and state. Thirdly, the diversity and number of network actors could be increased with as much enthusiasm as possible.

1. Keep an external orientation of the network

A first suggestion is that the network can be less focused on internal coordination and more on external relations. Rather than considering host policies and attraction *on paper*, it is important to consider the needs and wishes of the specific IO. While doing so, it is crucial to tighten relations abroad and with international partners in the host city. Furthermore, it is crucial to maintain good contacts with the IOs that have already been settled in the city; diplomatic relations should not be disrupted by complaints that have not been dealt with.

2. Networked continuity of host policy

It is important to have a ‘playbook’ ready in case an IO attraction process occurs. Other departments of involved ministries are best to be informed on a regular basis about established IOs, possible future IOs, and the advantages of hosting IOs. That will help to gather resources to offer a future IO an attractive location. In this effort, the ad hoc character of the policy could be diminished by updating other ministries in bi-annual (or more frequent) interdepartmental meetings.

Furthermore, having more than one actor ‘in the middle’ and creating shared responsibility contributes to success. Moreover, in some cases, I find that when higher-ranking political actors are involved in the network, the chances of being successful

increase. Involving such a high-profile actor can warm up other ministries and make sure the support base is present.

3. *Diversity and number of actors involved and 'Walking the extra mile'*

A third suggestion is that networks involve different actors in the process, both additional IOs and NGOs as specialists in the field of the new IO, and other ministries to generate interest. Diversity in the governance network brings more synergies, ideas, and creativity. Moreover, the needs of the IO can be better explored when a diverse set of actors is involved.

Of course, it helps to create enthusiasm in the network. The most successful networks were prepared to 'walk the extra mile.' This term is mentioned several times in the interviews and shows that 'getting the most out of it' is an essential condition for network success. In this light, it is crucial that network actors do not underestimate what acquiring an IO means for the urban environment, the region, and the country, and for the network itself. It entails a lot of groundwork and requires substantial effort and drive. The more responsibility is centrally arranged and shared among different actors, the higher is the likelihood of success.

My proposed avenues for future research are first to find out which policy types benefit from alignment, and which need more flexibility, such as the policies to attract IOs. The second is on the several actors 'in the middle' of the network and the high-ranking political players involved in the governance network attracting IOs. The third would be about the consequences of applying the three perspectives I used. When adding a fourth, interest groups perspective, what would have been the empirical and theoretical advancements? Further research into this proposed angle can be a fruitful endeavor.

