The Legitimacy of Political Entrepreneurs in Networks
– Lessons from local development projects in Swedish municipalities

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Introduction
Local and Regional policy is a complex area. Its aim is both to promote economic growth and to help achieve a more sustainable society. However, the concept of regional or local development has no agreed-upon definition. Mainstream policies in this area focus on traditional business and economic growth; others take a more holistic approach. Achieving the 2030 development goals set out by the United Nations, for example, requires policies of the latter kind (United Nations, 2017). In addition, the allocation of tasks regarding local and regional development, in the Swedish multilevel governance system, is unclear (Tillväxtanalys, 2014; 2017), as the pervasive discourse on cross-sector collaboration and network governance would seem to suggest (Olausson & Syssner, 2017; Wihlborg, 2015). These unclear conditions make local and regional development a messy field with unclear institutional arrangements. In this chapter, we look at how civil servants in Swedish municipalities – who are embedded in these messy institutional arrangements – act as political entrepreneurs, and how they succeed or fail in gaining legitimacy. More specifically, we examine and discuss the importance of networks for the legitimacy achieved by political entrepreneurs. Taking a critical perspective, we show that political entrepreneurs do not always succeed; nor are they always perceived as legitimate.

Local development is a task for local policy-making, but there are also global aims in this area, as well as European policy initiatives and support structures. Regional development appears as a main issue on the European policy agenda, among other things through the European Regional Development Fund, which addresses not just less developed regions but also the ‘growth engines’ of Europe (European Commission 2014). Thus interpretations,
meanings, and structures of local development in both policy and practice are formed and embedded within local contexts and arrangements. This yields a demand for local political entrepreneurs, and an arena where they can combine overarching aims with local change. Such entrepreneurs can translate general policy aims into local practices to improve living conditions for their neighbours in the local community (Assmo & Wihlborg, 2016).

In these times of structural change in Europe, there are indeed demands for change at the local level. The need for economic growth and entrepreneurship must be expressed locally, and translated into new support structures and projects at local level. In this chapter, we focus on one such national support scheme for enabling political entrepreneurs to work for regional and local growth in networks. The three projects we have chosen address varied needs and produce differing outcomes, which is why we look into how they generate legitimacy for their activities. They also address different political challenges: in the first case, structural changes towards a more resilient local economy; in the second, demographic changes and urbanization; in the third, a post-Fordist response to attract investors, entrepreneurs, and visitors to the city centre (Franzén et al., 2016).

Political entrepreneurs are embedded in policy networks, and they make changes through these networks. One of their many strengths is to bridge the gap between different networks, thus pooling resources and ideas for change. Through such processes, they not only convey meanings; they also translate them, often by bringing resources and competences into local networks and making them useful in the specific setting (Wihlborg & Söderholm, 2013). However, forming and combining local networks is a challenge, involving a wide variety of actors from different sectors. Thus, legitimacy is critical for political entrepreneurs’ ability to build networks and to contribute to policy change for local development. While we cannot measure legitimacy, it is obvious that a lack of it poses a challenge to networks and projects, and indeed to local development as such. Legitimacy is a key to making networked governance function smoothly to implement policy aims; moreover, it has to involve both legality and trustworthiness (Sørensen & Torfing, 2007). In this chapter, then, we discuss legitimacy for local political entrepreneurs through an analysis of three local development projects.

**Aim of the chapter**

In this chapter, we present three case studies of political entrepreneurs striving for local development. Our focus is on how political entrepreneurs can gain legitimacy through collaboration in networks. The overall aim of the chapter is to show empirically, and to discuss theoretically, how relations in policy networks impact upon the legitimacy of political entrepreneurs. Three specific interests guide our analysis of the empirical cases. Thus we ask:

- How do political entrepreneurs navigate through ‘messy’ institutional arrangements, in order to establish collaboration with external networks?
- How do they mobilize resources through networks?
- How do they manage serving as a link between the municipality and networks of external stakeholders?

The remainder of this chapter contains four sections. In the first, we present our research design and the case setting. In the second, we explain our theoretical focus on legitimacy for political entrepreneurs. In the third, we present and analyse the results of the case studies. In the fourth section, finally, we discuss the lessons learned from these cases, and we explore some general implications for the legitimacy of political entrepreneurs.
Field studies opening up for new interpretations – Research design, methods, and the case setting

Our analysis is based on field studies from three municipalities in Sweden. The cases form part of an ongoing longitudinal study, in which one of the authors (Olausson) is following a development project in a total of ten municipalities. The research project takes an inductive and explorative approach. Here, however, we analyse a number of findings more explicitly in relation to the legitimacy of political entrepreneurs building networks for local development within the project setting.

The ten municipalities included in the long-term study have all been selected to take part in a national programme for knowledge development in connection with local and regional development policy. That means that the municipalities have applied on their own to take part in the programme, and that the Swedish Agency for Economic and Regional Growth follows, observes, and supports them in order to learn from the processes taking place. Each of the ten municipalities has formulated its own project plan, based on its own local context and its own way of concretizing the holistic meaning of local and regional development. Here we include the processes both before and after the municipalities applied to take part in the national programme and to get co-funding for their local projects. Out of these ten municipalities, finally, we have specifically chosen to analyse three, due to their particular interest in connection with theories of network governance and legitimacy.

The three cases chosen are distinctly different from each other in regard both to (1) specific local conditions and (2) outcomes (i.e., success or failure for the project managers; see Table 1.). We analyse both the trust dimension and the legal aspect of legitimacy, and we consider both inputs and outcomes in connection with local processes. Despite the variations between the three cases, there are certain core common features. All include a civil servant who is acting in an entrepreneurial way – through networks outside the public administration – in order to promote his or her own meaning of local development. In sum, we would contend, this strategic case selection yields solid data from which we can learn more about the legitimacy of civil servants who serve as political entrepreneurs.

This chapter builds on in-depth interviews with the civil servants who are also project managers in the national development programme. Each project manager was interviewed twice: first in the spring of 2016, and again in the winter-spring of 2017. The mayors and chief executives in two of the municipalities were also interviewed, in the spring of 2016. All interviews were conducted within the municipality in question, and all were recorded and transcribed. In order to triangulate and create a thick description of the process, we also carried out a textual analysis of policy documents, working materials, and articles in local newspapers relating to the projects. We also made follow-up calls to the project managers after the interviews. Since the projects are all part of a national funding scheme, there have also been national meetings for all project leaders, which we have attended as well. Taken together, these elements form the basis for our case descriptions.

All informants have been promised personal anonymity. One major reason for this is that we wish to un-cover the networks, resources, and power relations surrounding the projects. This necessitates the building of trust. Acquiring sensitive information on various matters is important for the validity of our study. Since we talked to the project managers on several occasions

1 Chair of the municipal executive committee
occasions, as well as meeting them in specific programme conferences arranged by the Swedish Agency for Economic and Regional Growth, we needed to gain their trust and to persuade them to talk honestly about challenges and tensions in their projects. Therefore, we refer to all of the project managers here by fictive names (all of them female). For the sake of this anonymity, moreover, the specific documents and newspapers articles analysed in this study are not cited explicitly.

In the table below, we present the three local development projects and the municipalities in which they are located.

<table>
<thead>
<tr>
<th>Aim of the project for local development</th>
<th>Mill Town</th>
<th>Small Town</th>
<th>Suburb</th>
</tr>
</thead>
<tbody>
<tr>
<td>To give better municipal service to local trade and industry, and to promote the development of small firms.</td>
<td>To collaborate with civil society in order to develop rural development strategies favouring a rural lifestyle.</td>
<td>To transform the suburban centre into a regional city centre, and to strengthen the trademark of the municipality in order to attract entrepreneurs and investors.</td>
<td></td>
</tr>
<tr>
<td>Key municipal characteristics</td>
<td>10,000 inhabitants. The local economy has been dominated by a single big industry.</td>
<td>10,000 inhabitants. A large rural population and a small municipal centre.</td>
<td>80,000 inhabitants. A suburb on the outskirts of a metropolitan area.</td>
</tr>
<tr>
<td>Employment status of the project managers</td>
<td>Contracted by the municipality as consultants in charge of development of trade and industry.</td>
<td>Long-time members of the municipal staff, in charge of rural and small-firm development.</td>
<td>Project employees by the municipality; positions funded half by the municipality and half by property owners.</td>
</tr>
<tr>
<td>Key networks of the project managers</td>
<td>Local trade and industry in general.</td>
<td>Village associations, in particular those in rural areas.</td>
<td>The largest commercial property owners in the city.</td>
</tr>
</tbody>
</table>

Table 1: Core characteristics of the political entrepreneurs under study, and their local setting.

**Political entrepreneurs in or outside policy networks – Our theoretical framing**

In this section, we set our framing of the problem – how we analyse the legitimacy of political entrepreneurs in relation to policy networks and local political processes. We proceed from the premise that networked governance provides a context for the operation of political entrepreneurs, at the same time that the latter – by knitting the networks together – generate networked governance in turn. Our focus here is on how legitimacy is formed through the policy processes supporting the entrepreneurs as well as their networks. Thus, we start out this section with a brief overview of networked governance, after which we present a general conceptualization of legitimacy. The purpose of the latter is to combine these theoretical tracks – network governance and legitimacy - in relation to political entrepreneurs: firstly, through a conceptualization of formal and informal legitimacy; secondly, through an explication of input and output legitimacy. Finally, we relate these theoretical approaches to the research questions posed in our introduction.
**Networked governance as the context for political entrepreneurs**

Policy networks are the context for political entrepreneurs, since it is the latter who actually form and develop the networks (Kingdon, 1995; von Bergmann-Winberg & Wihlborg, 2011; Narbutaité et al., 2015; Peters & Pierre, 2004). Policy networks are kept together by common meanings, formed by the core values held by actors who, through their networks, can share and coordinate resources so as to attain their aims more easily (Rhodes & Marsh, 1992). Policy entrepreneurs are the ones who knit policy networks together. They are actors, most often single individuals; but they can also be organizations or groups of individuals. They possess essential resources, as well as the ambition to take on particular roles so as to influence and thus to direct the governing process. In another line theory, they function as meta-governors in processes of networked governance (Sørensen, 2006).

When policy-making takes place in a networked-governance setting, there are many openings for how, when, and where to make decisions and to formulate policies. Kingdon (1995) identified the networked process of policy-making as a process combining the three streams of: problems, politics and policies. He showed that policy changes take place when the three streams are coordinated. A new policy can address a problem when being managed through the political context of norms and values that are embodied in the specific structure for decision-making. This process of policy change takes place, he claimed, when a policy entrepreneur manages to get all three streams through the policy window (a specific window of opportunity).

Kingdon used the concept ‘policy entrepreneur’; however, in line with the introduction to this edited volume, we use the term ‘political entrepreneur’. Kingdon (1995) distinguished clearly between ‘policy’ and ‘politics’ in his discussion of different ‘streams’ that must pass through a common policy window if a policy change is to occur. A policy, in Kingdon’s terms, refers to the content and meaning of an issue in a specific field. He used the term ‘political’, on the other hand, in reference to the political game of actors and their norms and values. Combining this distinction with the meaning of entrepreneurs as critical actors in the game, we get policy entrepreneurs, who focus on the matters that they aim to change; and political entrepreneurs, who focus – almost independently of the issues at stake – on the political game and on how coalitions and networks can be formed. For a more exhaustive discussion of these different concepts, see Assmo & Wihlborg (2016). However, notwithstanding this distinction, we follow the overall approach of the editors here, and so use the term ‘political entrepreneurs’. Then, when using the latter term, we also include policy entrepreneurs – who are the main focus here, since they are driven by an interest in the policy aims of local and regional development.

The setting of networked governance also ranges across traditional levels of government in the multi-level government structure. In areas which are experiencing lower growth there is a particular need for building networks to promote growth, to make policy changes and to achieve real local development (Assmo & Wihlborg, 2016). In times when public policy is implemented through networked governance, there is a need for local actors to take responsibility for ensuring the implementation of policies all the way to the end user, where policies can make a change (Vedung, 2016). Thus, policy entrepreneurs have to gain legitimacy in the processes of networked governance taking place on several levels of the multi-level government system.
The legitimacy of political entrepreneurs

Legitimacy has been described as a rather fuzzy concept. In an effort to make legitimacy more grasable, Bekkers and Edwards (2007) pointed out that it presupposes authority. Legitimacy must be related to an actor, an institution, or a system that can exercise authority. It is thus common to understand legitimacy in terms of acceptance for authority. In other words, an authority can promote legitimacy even among those who disagree with the decisions it makes. Legitimacy can be portrayed in two ways: as closely related to legality, or as based on trust among stakeholders (cf. Bekkers and Edwards, 2007). In the first case, something is legitimate if it is lawful. Legality is often seen as a basic precondition for legitimacy, since it makes analysis on the basis of formal conditions and decisions possible.

The second understanding of legitimacy fastens on informal arrangements of trust. Legitimacy here builds on the perceptions of different stakeholders. In other words, legitimacy is in the eye of the beholder, and it is something conferred by others (Bekkers & Edwards, 2007). Actors can have different interpretations of the authority in question, and so may experience legitimacy in different ways. According to this view, then, legitimacy is about trust and acceptance rather than legality. This kind of legitimacy can be gained independently of whether or not the exercise of authority is in accordance with the law. This informal and constructivist approach to legitimacy builds on the activities and interpretations of the actors who constitute the community.

Both of these approaches to legitimacy portray it as contextual – as arising in relation to the authorities that form the policy networks. Thus, political entrepreneurs can gain legitimacy both by acting in line with the legal framework and by gaining trust among stakeholders. The two forms of legitimacy co-construct each other; and, in the most favourable case, they support each other. However, an activity can be legitimate in legal terms yet still be seen as illegitimate among the actors in question. This may be the case, for example, if the actors do not trust the legal arrangements in the area, as when people openly share pictures online in spite of copyright laws. It can also be the other way around: i.e., that the actors regard the lawful provisions as legitimate, but lack trust that the local context is in line with those provisions (as when the legitimacy of police is under challenge in some socioeconomically deprived suburbs). In sum, legitimacy is formed in the interplay between formal and informal arrangements, and it takes shape in the local context.

In the literature on political entrepreneurs in the context of networked governance, the political entrepreneur identifies and defines problems that have to be addressed. The motives of political entrepreneurs may be altruistic in part; i.e., they may wish to promote new policies and to facilitate the operation of networks; however, they may also benefit individually if such policies and innovations prove successful (Mintrom, 1997; Wihlborg, 2000). Policy entrepreneurs do not necessarily act on the basis of a single organizational foundation; instead they may show flexibility, re-arranging their networks for each policy issue (Mintrom & Norman, 2009). The legitimacy of political entrepreneurs and of similar actors has been discussed in various ways in the literature. In a discussion of institutional theory, Fligstein (1997) pointed out that critical individual actors can gain legitimacy through their social skills, which in turn can endow them with direct authority as well as with more subtle forms of agenda-setting power. Weber saw charisma as a specific source of legitimacy (Weber, 1978). Research on institutional entrepreneurship has shown how entrepreneurs can use the quantification and measurability of local conditions to gain legitimacy for their activities. For instance, individual entrepreneurial actors can use rankings and output measurements to make legitimate institutional changes (Déjean et al., 2007). Other scholars have stressed the subject
position of entrepreneurial actors as a source for their legitimacy. Factors such as background, personal experience, and previous career can play a critical role for the ability of individual actors to come across as legitimate (Maguire et al., 2004).

Our focus is on how the legitimacy of political entrepreneurs is formed through the interplay of legality and trust. Policies are formed in processes in which political entrepreneurs, interacting in networks, play a crucial role. If we are to understand how political entrepreneurs do or do not achieve legitimacy, we need to problematize the process of networked governance and the content of that process. *What does it mean to be legitimate?* If we are to grasp how political entrepreneurs form policy networks and policy changes, we must appreciate that legitimacy arises differently on the political system’s input side from how it comes about through implementation at the output side.

Networks are a specific source of legitimacy, and they relate to the political system in two quite different ways: they provide inputs into it, and they enhance the outcomes produced by it. The structural setting in the two cases differs, and the legitimacy arising from the two processes differs as well. Easton (1965) described *inputs* as the norms and values expressed by the electorate; and *outputs* as the decisions, public services, and infrastructural arrangements provided by the government. We use this distinction between inputs and outputs to analyze the concept of legitimacy, since researchers in the field have applied it extensively (Schmidt, 2013; Rothstein, 2009).

In relation to local policy-making, Evans (2014) showed that legitimacy in local government has been defined in two different ways. Input legitimacy, his overview revealed, has been defined as transparency, accountability, responsiveness, and electoral representation as brought into policy-making through the political decision-making structure. Input legitimacy is based on how the public perceive decision-makers, and whether the power wielded by the latter results from fair and democratic elections. Output legitimacy, by contrast, is more ‘functionalist’; local government is seen here as ‘a service provider with efficient service delivery being the main objective’ (Evans, 2014:44). Output legitimacy has figured centrally in the ‘quality of government’ research field (Rothstein, 2009; Rothstein and Teorell, 2012). But as we see it, and as Evans (2014) emphasizes, local politics is indeed constructed in the interplay between input and output legitimacy.

**Analysing the legitimacy of political entrepreneurs in local development**

The overall perspective of this book – political entrepreneurship – is an actor-centred one. In line with that, our interest in this chapter is in the legitimacy of specific political entrepreneurs in their local networks.

Summing up the theoretical discussion above, we can say that we are working along two dimensions. Firstly, we understand legitimacy in terms of a combination of legality and trust; or, in other words, as consisting of formal and informal components. Secondly, we see these two components in terms of the process leading from inputs to outputs in the political system. Both dimensions are represented in the model below.
<table>
<thead>
<tr>
<th>Components of legitimacy</th>
<th>Input</th>
<th>Output</th>
</tr>
</thead>
<tbody>
<tr>
<td>Formal Legality</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Informal Trust</td>
<td></td>
<td></td>
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</tbody>
</table>

Table 2: The combination of formal and informal legitimacy and of input and output legitimacy.

Since these cases are set within a formal and political structure (the municipality, as shown in Table 1), our focus is on the interplay between external networks and internal organizational actors involved in both the input and output phases of the policy-making process. We show hereby the complexity of the concept of legitimacy, and how it implies that there are several ways of gaining legitimacy. We shall use our three research questions for this analysis, and shall embed them in these two aspects of legitimacy.

The first and second questions focus on the input phase of the policy-making process. Political entrepreneurs must navigate through a field of ‘messy’ institutional arrangements in order to establish collaboration with external networks. They attempt to do this by gaining trust, even while still staying within the legal framework of the municipal policy-making process. They also mobilize resources, such as funding and other support, through networks. At the same time, there are clear legal norms about what kinds of resources can be mobilized; otherwise, suspicions of corruption are bound to arise. The focus of our third research question, relating to the output phase, is on how political entrepreneurs manage to maintain a link based on trust between the municipality and external stakeholders, without departing from the legal framework of local politics.

Local and regional development in a multilevel system of governance – from the European Union to Swedish municipalities

The aim of this section is to set the scene for our analysis. First, we describe a shift in the politics and policy of regional economic development that took place in the 1980s, towards what is often referred to as the new regionalism. We then describe local and regional development planning as an emerging policy field in Swedish municipalities.

**Local development in the context of the new regionalism**

There has been a clear shift from providing support to lagging areas to pursuing a more general policy for economic growth. This policy shift has affected both the content and the organization of regional policy in Sweden, as well as in other countries of Western Europe (see Keating, 1998). The new orientation has predominated in the policy debate since the late 20th century. In more recent years, furthermore, it has functioned as a guide for practical implementation strategies. Hadjimichalis (2011) argued that the policy agendas of the European Union have laid down a more general approach aimed at enhancing growth in all regions on the basis of their own resources, without external support. This in contrast to the large structural-fund projects that guided EU enlargement in the 1980s. This focus on the use and development of local resources to achieve growth has found expression in the term ‘endogenous approaches’ (Tödtling, 2011).
The idea of new regionalism has been prominent in the UK, as a way of addressing increased regional differences and related political and social divides. It has been shown, however, that it is a highly political discourse aimed at reframing the function of local governments and at promoting networked governance (Deas & Ward, 2000). There are cases where the new regionalism has encouraged development in new sectors through the activities and networks established by political entrepreneurs. An example can be seen in the rural parts of western Kansas, in the US, where a programme based on the idea of new regionalism was established. The focus was on supporting new forms of leadership, encouraging value-added agriculture, and promoting local business. A new website was set up to publicize job opportunities and to promote networking. Projects have included voluntary regional grassroots initiatives and collaboration among public actors (Lu, 2010). This indicates the importance of networking for making the new regionalism work.

To conclude, there is an emphasis on economic growth and development in both Swedish and European discourses. However, it is worth noting that regional and local development can include more elements than those featured in models of economic growth. The cases included in our analysis are taken from a national programme striving for a broader understanding of growth – beyond the single metric of easily measured economic growth.

Creating Local and Regional Development – an increasingly important task for Swedish municipalities

In line with the developments noted above, there has been a similar trend at the national level in Sweden. There has been a clear shift: from a selective policy focused on support for less favoured regions to a general policy for economic growth in all regions (Johansson 2013; Nilsson 2012). There has also been a shift from national programmes to a more decentralized approach. Local and regional actors have therefore assumed a more important role as policy-makers in the area of local and regional development. The formal responsibility for regional development has been transferred into the hands of regional governments.2

Thus, local governments in Sweden have assumed a key role as actors in an overall national strategy for achieving sustainable growth in all regions (Swedish Government 2015). As compared with their counterparts in other European countries, moreover, Nordic municipalities have a long tradition of engaging in local community development (Aarsaether & Ringholm 2011). Furthermore, Swedish municipalities have contributed even more actively over the last 30 years to local development in a broad sense (Nyhlén 2013; Wihlborg 2015). This has particularly been the case when it comes to taking the initiative for public-private partnerships to promote local economic growth (SOU 1997:77; Pierre 1998; Persson 2010). In this context, we can expect political entrepreneurs to have become increasingly important in mobilizing and coordinating the resources of different actors.

Legally speaking, Swedish municipalities enjoy considerable discretion when it comes to local and regional development. Unlike their counterparts elsewhere in Europe, Nordic municipalities are free to undertake such policies as they might wish, as long as these are not expressly prohibited (Lidström 1996). Furthermore, Swedish municipalities have far-reaching financial and fiscal autonomy (Sellers & Lidström 2007). These factors yield favourable conditions for active and creative local development policies.

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2 Lag (2010:630) om regionalt utvecklingsansvar i vissa län [Swedish legislation on the responsibility for regional development in certain counties].
Two central functions in the Swedish municipal context are those of the municipal chief executive (hereafter ‘chief executive’) and the chair of the municipal executive committee (hereafter ‘mayor’) (Jonsson & Arnell 2006). The chief executive is the head of the municipal administration. The mayor is the highest elected politician; in many small municipalities, moreover, he/she is the only full-time paid politician. Thus the mayor has a special role: in one way or another, he/she is involved in all strategic decision-making in the municipality (Karlsson 2006). The function of the chief executive, finally, is politically very important, with a considerable influence on strategic decision-making (Högberg 2007; Jonsson 2012; Lennqvist Lidén 2010).

Stories from three municipalities

In this section we present results from our three case studies, and we analyse how political entrepreneurs strive to gain legitimacy through their activities in policy networks. Each case presentation is paired with an analysis. In the subsequent section, we carry out some cross-case analyses in relation to our research questions.

Sara in the Mill Town

As our story begins, a civil servant in charge of development of trade and industry is about to quit. Before doing so, however, she ensures that Sara is asked to contract for the job. Sara has been an entrepreneur for many years, and she now runs her own firm offering consulting in business development. She is a well-known person in local networks in trade and industry. Sara sees an opportunity to make real improvements for local trade and industry, and the municipality engages her as a consultant – through her firm – to do the job.

Sara starts working with great enthusiasm, in the hope of transforming the municipality’s attitude to small business from the inside. Local politicians and municipal officials, she contends, don’t understand or value how much small business affects local job prospects and economic development. Her main mission is to strengthen contacts and collaboration between the municipality and local business. This, she believes, is a job for which she is well-suited:

I find it easy to get in contact with entrepreneurs in the market. I find it easy to get them to trust me and what I stand for. In addition, I have many former associates in local business. (Interview Sara 2016)

To begin with, Sara gets solid support for her new ideas from local politicians. However, administrators and specifically the chief executive is somehow sceptical of Sara’s ideas. The first step in Sara’s long-term strategy is to produce a development plan for local trade and industry, in collaboration with the stakeholders – the local entrepreneurs. The main purpose of her plan is to produce a picture of the problem that illustrates the need for change. Although the plan involves strong criticism of the municipality, the municipal assembly do adopt the plan. The mayor, who is not as critical to the municipality’s work as Sara is, agrees to some extent, saying that ‘contacts between the municipality and local trade and industry have not been bad, but they have been few’ (Interview Mayor 2016). The plan now forms – especially in its criticism of the municipality – the basis for Sara’s forthcoming work.
In order to strengthen her own position and to facilitate the efforts of the municipality vis-à-vis local trade and industry, Sara applies to take part in a national development programme. The application is granted, which means that Sara now has access to greater resources. She is able to start a more formalized project based in part on project funding from the national agency. Sara has stressed the need to include the stakeholders – local trade and industry – in the project. A steering group is therefore constituted, composed of Sara, the mayor, the chief executive, and representatives from local trade and industry.

Eventually the work of the steering group seems less and less satisfactory. For the local representatives of trade and industry, who for a long time have distrusted the local government, the steering group becomes a forum for voicing various complaints about the municipality. ‘It’s a lack of trust that makes a constructive dialogue impossible’, Sara points out. It is particularly the chief executive and the representatives of trade and industry who have a hard time understanding one another. It is not just the representatives of trade and industry, however, that who are a problem in the eyes of the chief executive. As he sees it, namely, Sara too is one of the ‘problematic stakeholders’. Sara, for her part, sees the chief executive undermining the project. Behind Sara’s back, moreover, the mayor even calls her ‘the consultant’, and implies that she is not loyal to the municipality (Interview Sara 2017).

A year after the project has started, it all seems to have reached its end. The mayor – who in Sara’s view is under strong influences of from the chief executive – announces that the project will be shut down. Extensive protests from local trade and industry then follow, as well as attention in the local newspapers. The mayor then backs down. Still, Sara feels that her job at the municipality is threatened. She sees an opportunity to save her own position, and the core of the project, by getting the representatives of trade and industry removed from the steering group. In agreement with the mayor and the chief executive, therefore, the representatives of local trade and industry are kicked out of the project – a project which had been meant to strengthen dialogue and collaboration between the municipality and local trade and industry. By this means, however, Sara’s legitimacy as the project manager is at least temporary saved.

**Jenny in the Small Town**

In the Small Town, Jenny has worked in the municipal administration for several years. As a civil servant, she is in charge of rural affairs and development of trade and industry. Improved public and commercial service in the countryside is the particular task to which Jenny feels most dedicated. She describes herself as a ‘doer’, with an ability to gain people’s trust and to push changes through:

> I find it very easy to pay a visit and to speak with people in the village communities and the local associations, as well as with the politicians. It is all about building relations and persuading people to play a part. Getting people to understand that nobody is going to make these changes for us. It is up to ourselves to get things done. (Interview Jenny 2016)

According to Jenny, the politicians have some vague ambitions to develop the rural part of the municipality and to improve rural living conditions. But no strategic work is being done in the municipality to realize these ambitions – there is no diagnosis of the problems, no concrete goals, no plans. The lack of systematic work along such lines is frustrating to Jenny. She

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3 The programme is administered by the Swedish Agency for Economic and Regional Growth.
understands, however, that the resources of the municipality are small, and that she has to be smart if she is to make some real change.

Jenny sees an opportunity to strengthen her position by applying to take part in a national development programme, and the programme is still open for applications. In her application for the programme, she stresses the need to approach rural development systematically, and to collaborate with the village associations and other stakeholders. The village associations have partnered with Jenny on previous development projects, and she describes herself as a link between the stakeholders and the municipal administration and the politicians.

*I think I’m good at listening, and maybe I’ll become a spokesperson for [the village associations] in the local government sector, with the politicians. I also have a relationship of trust with the leading politicians.* (Interview Jenny 2016)

The chief executive, however, tells Jenny that she cannot apply for the national development programme. That kind of work is not a part of Jenny’s duties, as he sees it. The mayor, on the other hand, listens to Jenny and urges her to apply and to keep up the good work. The mayor appreciates Jenny’s creativity and her good relations with important stakeholders. Jenny also gets good news from the national development programme: her application has been accepted. Bolstered by the supportive mayor, Jenny starts sending invitations to what she calls ‘dialogue cafés’ – public citizen deliberations based on dialogue meetings. The aim of the ‘dialogue cafés’ is to establish a common understanding and to create a platform – for the municipality, for stakeholders, and for citizens – upon which further collaboration can be built.

However, the ‘dialogue cafés’ attract no more than a few persons, which is a big disappointment to Jenny. For the next ‘dialogue café’, she tries sending special invitations through the village associations to selected actors in the countryside, but with no result. Jenny feels growing frustration, as do the municipal officials, including the chief executive. Jenny argues that she does not get needed support from the municipal administration. They don’t support her in her efforts to be creative and to improve living conditions in the rural part of the municipality. The chief executive is now clear about his disagreement with Jenny, and says to her that the project she is running is not furthering the development of the municipality at all. As the chief executive sees it, the project is consuming resources without giving anything back. This is especially true, in his estimation, of Jenny’s attempt to mobilize resources from the network of village associations.

Now even support from the municipality’s leading politicians is about to break down. For Jenny, the disappointment is overwhelming. She feels undermined by the officials and betrayed by the politicians who had previously supported her. Furthermore, the failure of the ‘dialogue cafés’, where Jenny did not manage to mobilize the network of village-association volunteers, is a real setback. Taken together, these developments make Jenny feel marginalized. As she sees it, she has not been granted the discretion or the resources needed to fulfill her commitment to rural development in the Small Town. Ultimately Jenny chooses to quit, and to start working in another municipality instead.

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4 The programme is administered by the Swedish Agency for Economic and Regional Growth.
Caroline in the Suburb

In the strategy for regional development adopted in 2010 by the county council, the Suburb’s city centre was highlighted as one of eight city centres in the expansive region. But such an assessment is not, according to citizen surveys, shared by the Suburb’s inhabitants, nor by local leaders in trade and industry when they look for areas in which to establish new businesses. The city centre of the Suburb is seen as highly anonymous. Thus, if expectations for the regional-development strategy are to be fulfilled, changes will have to take place in planning, in practices, and in attitudes towards the Suburb’s city centre.

In 2012, the municipality starts addressing the largest owners of commercial properties in the city centre. The ruling coalition wants to start some kind of collaboration with these property owners, in order to develop the city centre. In what way this is to be done, however, is unclear. From the municipality’s point of view, the Suburb’s city centre can’t be developed without a commitment from the property owners. A dialogue begins, in a tentative way, with a network consisting of six of the largest property owners. The vague ambitions of the municipality make it clear there is a need for some kind of link between the municipality and the property owners – a link that can facilitate dialogue and identify a way forward. With funding drawn in part from the property owners, Caroline is now employed by the municipality as project manager. Despite her very special employment status – with unregulated and informal commitments from the property owners – in the municipality Caroline is seen as just a normal municipal civil servant.

Caroline herself has years of experience in urban development and project management, both as public official and as a consultant. She soon understands she will be needing a clear mandate from the municipality, in order to strengthen her own position and to inspire commitment from the property owners. After attending the municipal executive committee, Caroline gets what she wants: a clear mandate to produce, in collaboration with the property owners, a new development plan for the city centre. Due to Caroline’s clear mandate, the property owners feel confidence in the project’s great potential for them. Now she has a platform on which to stand. She describes her work this way:

> My task is to get others involved in developing the city centre. I can never do this alone; I have to get other key actors to join in. Thus, my work is very much about gaining acceptance for the issue, and nagging. (Interview Caroline 2017)

Some years later, Caroline successfully applies to take part in a national development programme. She describes participation in the national programme as giving the project a positive aura. Through Caroline’s successful project management, collaboration between the municipality and the property owners is clearly formalized. Rather surprisingly, however, Caroline’s legitimacy is never challenged. Caroline finds that her colleagues treat her no differently, despite the fact that half her salary is paid by the property owners. She uses her networks and her various skills to muddle through and to get the project to work. The project is proving a success, and she is aware of her own role in the process. She explains:

> ... I could never have had this as my first job. You have to have been in the business of networking to know how to manage, how to get things through, how to build relationships. (Interview Caroline 2017)

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5 The programme is administered by the Swedish Agency for Economic and Regional Growth.
For Caroline and some of her colleagues at the municipality, the work with the development plan for the city centre is proceeding. The property owners take active part in workshops arranged by Caroline, and she is able to balance and to calibrate their influence on the development plan. Eventually a draft of the plan is presented to the municipal committee and the chief executive, and it is well-received. The chief executive urges that the plan be given the status of a supplement to the comprehensive municipal plan, and the municipal committee agrees. A vague idea about establishing some kind of collaboration with property owners ends up as a supplement to the comprehensive municipal plan. This must be seen as definitive recognition for Caroline’s legitimacy, and for the success of her project management.

Conclusions from the case studies

All of the cases are embedded in processes rooted in local Swedish governmental settings. The institutional framework is thus common to all of them, even that if the outcomes differ. In addition, all of the projects have during the processes become a part of a programme for regional development managed by a national governmental agency. A cross-case analysis is therefore needed, which we carry out in the next section. In the last section of the chapter, finally, we present some general conclusions.

Lessons learned from a cross-case analysis

In this section, we compare the three cases and the role of political entrepreneurs (PE) in each one. To guide this discussion, we return to the three research questions presented in our introduction. The two first questions relate to how input legitimacy is formed; the third concerns output legitimacy, as discussed in the theoretical section above.

<table>
<thead>
<tr>
<th>How do PE’s navigate through ‘messy’ institutional arrangements in order to establish collaboration with external networks?</th>
<th>Mill Town</th>
<th>Small Town</th>
<th>Suburb</th>
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<tr>
<td>The PE uses benchmarking and a self-authored study to gain acceptance for the need for public-private collaboration. However, the PE has an unclear position and mandate.</td>
<td>The PE wants to establish collaboration with a network of village associations, but lacks support from the municipal administration. Instead, she seeks and gets strong support from the mayor as the political leader. Still, the chief executive’s disapproval persists.</td>
<td>At the very beginning, the network gains acceptance in the municipal committee. In addition, however, the PE actively seeks and gets further discretion, as well as a clear mandate from the municipal committee to grant the property owners an influential role.</td>
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<table>
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<tr>
<th>How do PE’s mobilize resources through networks?</th>
<th>Mill Town</th>
<th>Small Town</th>
<th>Suburb</th>
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<tbody>
<tr>
<td>The PE elicits a commitment from local trade and industry. From the chief executive’s point</td>
<td>The PE doesn’t manage to mobilize resources or to obtain support through the</td>
<td>The network of property owners is considered a valuable resource. The members of this</td>
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6 The comprehensive municipal plan is a legally established plan, and the most important strategic plan for Swedish municipalities, see Plan- och bygglag 2000:900.
of view, however, the representatives of local trade and industry do not contribute any resources. already established network. network contribute resources without asking for ‘too much’ influence.

| How do PE’s manage serving as a link between the municipality and networks of external stakeholders? | The PE initially loses legitimacy when the network fails to generate any resources. The PE is seen as part of the network of trade and industry, rather than of the municipal network. The PE later establishes a more explicit connection with the municipal network, thereby gaining legitimacy in the eyes of the municipality. | The PE does not manage to engage the network of village associations, and so is not considered a link to valuable networks with resources. | Clear support from the municipal council bolsters the PE’s legitimacy among the property owners. In a similar way, the PE earns legitimacy within the municipal organization, due to the support she enjoys from the property owners as well as the smooth way in which she handles them. |

Table 3: Overview of the results in the three local projects
PE = Political entrepreneur

Our analysis indicates that trust in the outcome of the process – i.e., output legitimacy – is indeed dependent on the process having started with a clear formal input legitimacy.

In the Mill Town, the initial input legitimacy is formed primarily through the networks; thus, the legal arrangements are not explicitly addressed. This fuzziness on formal and legal questions undermines the legitimacy of the project. However, after some challenges that risk putting a halt to the project, the PE puts an effort into clearing up these matters and gaining greater formal input legitimacy for the project. The main output legitimacy thus far gained for the project is achieved through improved networks and new collaboration.

In the Small Town, Jenny does not manage as the political entrepreneur to bring together the formal municipal administration with the network of village associations. Thus she never becomes the link they had expected; nor is she able to share resources among the actors. This can be explained by the lack of formal support from the municipal administration (legality) during the input phase of the process. Without the formal input legitimacy and a clear mandate within the municipal organization, Jenny had a hard time attracting potential members to form a policy network. Jenny therefore leaves the project, never having gained the necessary legitimacy among the stakeholder.

In the Suburb, Caroline achieves legitimacy in the network of stakeholders (the property owners), among the members of the municipal committee, and among the municipal administration. In the initial phase, however, she has no clear formal input legitimacy, as there are no specific expectations for the project at this stage. In order to gain formal input
legitimacy, Caroline addresses the municipal committee, thereby obtaining a clear mandate for change. Through her formal legitimacy in the municipal organization and her informal legitimacy in terms of trust among stakeholders, Caroline has a platform on which to stand. By showing results and building trust, she acquires considerable legitimacy.

In concluding this section, let us look at the model above. As our cases have shown, it is critical for political entrepreneurs to gain formal and legal input legitimacy. Without a clear legal mandate, it seems hard to act entrepreneurial. Following the formal input way of account legitimacy, political entrepreneurship would always be legitimate, as long as the political entrepreneur act in line with legal arrangements, their remits and responsibilities in the input phase and follow it through the project. One obvious problem lies in the difficulty of defining what, in terms of legality, is in accordance with the role of civil servant. On the one hand, the national programme in question seeks entrepreneurial civil servants; on the other, legitimacy for civil servants in municipalities is often perceived as something static and universal.

However, legitimacy of political entrepreneurs can’t be created only from legal aspects in the input phase. Rather, output as a source of legitimacy lays in the nature of entrepreneurship. In the output phase, drawing from the case studies, it appears that trust among stakeholders and other informal aspects of legitimacy are the most critical. Through the analyses of the case studies, we can see how trust in outcome is critical among both the municipality and the external networks and stakeholders. Thus, legitimacy of political entrepreneurs seems to be created in an interplay between formal input and informal output aspects of legitimacy.

Concluding remarks

Aspirations for local development in these times of European and global crisis open up a space for political entrepreneurship when new ways are being sought to solve local problems and to coordinate use of resources. However, messy institutional arrangements in the area of local development policy offer few clear structures on which to rely; instead, legitimacy for local projects and for political entrepreneurs has to be gained in each and every case. Legitimacy is formed through a balance of legality and trust among stakeholders. Legitimacy both forms the action space for political entrepreneurs and is formed by the latter’s activities, networks, as well as their personal competences and skills.

Based on the case studies above, we argue that it is almost impossible to separate the actors totally from the form of public decision-making and the policies that are formulated. Political entrepreneurship, we contend, is a form of public decision-making. If political entrepreneurs in the public sector are given discretion and a mandate to operate in entrepreneurial fashion, a decentralized form of decision-making results. Likewise, political entrepreneurs want change – it lies in the nature of political entrepreneurship – so it is hard to separate the actors themselves from the change driven by them. Our way of understanding legitimacy as something conferred by others implies that the observer can find it very hard to separate the policy changes proposed by political entrepreneurs from the political entrepreneurs themselves.

The motives for political entrepreneurs to get engaged in projects for local development seem to lie in the informal legitimacy they can achieve among stakeholders, and the trust which the latter may place in them as people. But, as we have seen above, it is the formal legitimacy in the input phase of the project that is critical for the outcome. This, however, presents a challenge in the context of local and regional development policy, since processes like these
never can be planned and started only by a formal decision. There must also be informal legitimacy – an entrepreneurial person enjoying trust among stakeholders who takes the lead in the messy institutional setting.

Many scholars emphasize the importance of output legitimacy for trust in the political system in general (Rothstein 2009; Rothstein & Teorell, 2012). In the local cases we have examined, however, the opportunities for output legitimacy were dependent on input arrangements and on the efforts expended to make the process legally correct and informally trustworthy. This may, however, reflect the fact that all of these projects were far from ‘business as usual’ in the context of municipal service provision. All of the projects sought to stretch the formal arrangements of municipal policy-making and to extend municipal policies for local development. What we learn, then, is that political entrepreneurs must remember the importance of input legitimacy if they are to gain output legitimacy.

Theoretically, one can argue, there is a tension between formal input legitimacy and entrepreneurship. Rather than clear mandate and formal decision-making, the concept of entrepreneurship is associated with informality, ‘thinking outside the box’ and output. Entrepreneurship is a fragile process. Drawing from the case studies in this chapter, we argue that a more complex accounting of legitimacy of political entrepreneurship is needed. Fragile entrepreneurial development projects, within the public founded sector, can not only be built from an informal and output-based legitimacy. There is also a need to clarify the formal and input-based legitimacy to create a platform from which entrepreneurial processes can be built.

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*Interviews*

**Mill Town**

Project manager 
March 2016 
February 2017

Chief Executive 
March 2016

Mayor 
March 2016

**Small Town**

Project Manager 
March 2016 
March 2017

Chief Executive 
March 2016

Mayor 
March 2016

**Suburb**

Project Manager 
May 2016 
February 2017