7 Socio-cultural institutions

7.1 Introduction

The way policy problems are coordinated and policies are implemented varies from country to country. Japanese learned to cooperate to produce and share rice, while Dutch had to cooperate by building dikes to protect themselves from flooding. These kind of socio-cultural traditions have a long-term impact on current institutional arrangements.

In new institutional economics, understanding history and culture is an essential element of institutional analysis, since they can lead to path-dependencies. Institutions are not predetermined by the past, but can become ingrained, and therefore need further understanding (see chapter 5). In addition, institutions vary from case to case. In order to understand these variations and to do the local embeddedness of the case studies justice, further analysis of socio-cultural institutions and their historical roots is essential. These socio-cultural factors are seen as local cultural characteristics that provide a specific embeddedness, direction and support in the development process for the actors involved. It provides the national or regional framework of actors' and actor coalitions' behaviour. This is a stepping-stone to understand the consistencies and dynamics in the institutional arrangements in the case studies over time. Analysing socio-cultural institutions in this chapter, as well as financial, economic, governance and legal institutions in the following chapter addresses research question 2b: the institutions that determine the acting playing field for the actors involved. The dynamic and actor-oriented approach of institutional analysis directly includes research question 2c: where do inefficient institutions, path-dependent behaviour and institutional lock-ins leads to obstacles in the spatial-economic development of airports as cityports in the city-region?

For framing the variety of socio-cultural institutions of the different case studies, a theoretical framework is applied. The next section introduces the theoretical framework for analysing socio-cultural institutions based on the national regulatory styles of Van Waarden (1999, 1999a). For sociologist Elias (2003), national habits are not biologically defined, but closely related to the nation's construction of state regimes. Habits develop just like states or tribes over time. Therefore, socio-cultural institutions can be derived from the formation of state regimes. In particular, rule formulation, nature of the rules, implementation and enforcement as stages of the regulatory regime are explored from case to case. Socio-cultural institutions and their historic roots are analysed in the Netherlands (7.3), Germany (7.4) and Japan (7.5). Chapter 7.6 draws the main conclusions that have to be considered in the financial, economic, governance and legal institutional analysis in the following chapters.

7.2 Theoretical framework of socio-cultural institutions

Van Waarden (1999, 1999a) developed a framework of understanding differences in national policy styles can be divided into rule formulation, nature of the rules, and implementation and enforcement (see Table 7.1). In terms of rule formulation, the first question is if governments are willing to intervene at all. Closely related is the question of regulation; is this intervention mainly a task for governments, markets or societies and unions? In the stage of rule formulation, policy integration, distance to interest groups and the openness to newcomers in the policy arena are central issues. Finally, policy implementation and enforcement discusses different models of law enforcement and sectioning between the countries.

Regulation model
The models of governmental regulation range from laissez-faire to market control. Hall and Soskice (2001) distinguish the liberal market economies from the coordinated market economies as main models. Economic and institutional performances in the long term are comparable, but there are striking differences in sector development: some economic sectors need closer cooperation and support by governments, and succeed best in a coordinated market economy. Other sectors need a more dynamic and environment, and prefer a liberal market economy.

The coordinated market economies can be more specifically distinguished into two types of regulation: self-regulation by unions and societies, also known as corporatism, and state intervention or etatism. The case studies are examples of variation in degrees of self-regulation. Coordinated market economies in continental Europe have a tradition of intervention, but even more than in France, governments in Germany and the Netherlands are inviting civil society groups to participate in the regulation process (Van Waarden 1999).

State intervention
The point of departure is whether states are willing to intervene at all. The extremes are the American active interference on the things one hand – if considered necessary to intervene, the American government has the tools to do so, and does intervene strongly – and the British passive role on the other hand (Van Waarden 1999). It is therefore according to Van Waarden a misunderstanding to link liberal systems directly to reactive styles (1999a). For American policy-makers, problems are there to be solved, which contributes to the active policy style. The French model of étatisme leads to active state intervention as well.

Table 7.1 Overview of national regulatory styles

Dimension	Ideal-typical extremes
Regulation	state-corporatism-market
Intervention	active-reactive
Policy integration	integration-fragmentation
Civil society groups (interest groups)	antagonism-protectionism-consensus
Civil society groups (newcomers)	formalism-informalism
Policy implementation and enforcement	legalism-pragmatism

Source: based on Van Waarden (1999, 1999a)

Table 7.2 National regulatory styles in the case studies

Dimension	Netherlands	Germany	Japan
Regulation	Unions and societies Corporatism	Unions and societies Corporatism	State Corporatism
Intervention	Moderate active	Moderate active	Moderate active
Policy integration	Planning – integration	Moderate planning	Planning – integration
Civil society groups (interest groups)	Consensus	Consensus with authority	Consensus
Civil society groups (newcomers)	Formalism	Moderate formal	Formalism
Policy implementation and enforcement	Pragmatic	Legalistic	Pragmatic

Source: author

Japan, Germany and the Netherlands are closely related in the average level of government interference (Table 7.2). The state level in the Netherlands and Germany has relatively high ambitions of steering and regulation of their societies in order to compensate for market imperfections and limit market competition extremes. These ambitions of state intervention are however limited by the self-regulating model of corporatism. The continuous policy making process is in the end partly left up to the unions and societies to implement by themselves. Intervention and government activism in the Netherlands is tempered by the flexible dealing with legal rules as well, to be discussed below. In Japan, the ambition of intervention is more passive, with a focus on development projects instead of planning regulation, which will be discussed in the section of planning culture.

Policy integration and planning culture
The ambition, willingness and possibilities to integrate policies into integrated plans are different between the extremes of France (high policy integration) and the U.S. (low). The Rhineland model in Germany and the Netherlands is a moderate position. The US institutional system of many checks and balances is the main reason that America has few integrated plans. For all actors involved, up to court ruling, there should be some 'pork' in the 'barrel' and therefore the final result can be quite different from the initial plan (Moe 1987). The ability and willingness to integrate governmental measures into long-term policies have the best institutional conditions in central planning countries like the Netherlands and France (Van Waarden 1999). Political control and stability, control of bureaucracy, planning tradition and education of bureaucrats are decisive factors for policy integration in the case studies and will be analysed for the case studies in sections 7.3-7.5.

Role of civil society groups
There is a variety of ways of how governments deal with civil society groups in the policy making process. Van Waarden (1999) distinguishes the distance between government and special interest groups, and the distance to newcomers with their own interests in the established regime.

The first dimension describes the distance to special interest groups: is policy making made in cooperation with unions and societies (consensualism)? Or does the government prefer to distance themselves from interest groups out of fear of entangling interests (antagonism) or out

of protectionism (paternalism)? Both antagonism and paternalisms are types of adversialism (Van Waarden 1999a, see Table 7.1). The U.S. is the prime example of antagonism, since authorities consider distance with special interest groups as part of democracy. This distance avoids suspicion of bias, preferential treatment, or even corruption. France has its own version of antagonism, but French bureaucrats see themselves as guards and trustees of the state and state interests. Because of their high social status, French authorities are not easily suspected of bias.

The Netherlands and Japan have, in contrast, consensus-oriented relations between government and civil society groups (Table 7.2). These groups are involved in policy preparation, where interests are considered and concessions are made, and law enforces consultation. A quintessential part of consensus orientation is the acceptance of contradictions (*ibid.*). England and Germany take a middle position between antagonism and consensualism. The type of consensualism in the case studies varies. This will be discussed in the socio-cultural institutional analysis of the case studies below.

The second dimension of the role of civil society groups describes how open the policy process is towards newcomers to the establishment, with formalism in the U.S. and informality in England and France. Germany and the Netherlands take middle positions. For the same reasons as antagonism, U.S. policy makers are formalistic in dealing with established contacts and newcomers interest groups. British and French authorities in contrast do not hesitate to have informal and even secret contacts, making their policy making more efficient and less bureaucratic, but also less transparent.

Policy implementation and enforcement
Policy implementation and enforcement can be either legalistic or pragmatic. Dutch law enforcement is mostly pragmatic with a flexible interpretation of the law in order to inspire confidence and educate instead of acting as a police officer.[1] The weak policy enforcement is historically embedded due to the fact that the laws cannot be contested by constitutional court appeal as is possible in the German *Bundesverfassungsgericht* or comparable U.S. Supreme Court. The highest court in the Netherlands is the Council of State (*Raad van State*). These The U.S. and Germany have a more legalistic style of maintenance. The Dutch pragmatism is reflected in commonly used dispensations, policy experiments, evaluations, and tolerance of illegal drugs and prostitution (*gedogen*).

7.3   Socio-cultural institutions in the Netherlands

With the ideal typical dimensions in mind, it is necessary to have a closer look at the case studies' policy styles in order to obtain understanding of the historical, political and socio-cultural roots of the institutions analysed in the previous chapters. It is worth analysing how the corporatist tradition, moderately active intervention style, integrated and centralised planning, consensus oriented approach of unions and societies, to some degree formalist approach towards newcomers, and pragmatic maintenance style work in the Netherlands in general and in the Randstad-Schiphol case study in particular. The socio-cultural institutional analysis has the historical roots as point of departure and will be addressed in brief.

Dutch consensualism

The Netherlands separated from the German Empire and later the Spanish Empire, which co-determined the self-image and nation until today (Elias 2003:18). On the one hand self-governing cities developed, while on the other hand foreign policies as well as public water works for self-defence were jointly set in the *Staten-Generaal*. Cities such as Amsterdam and Utrecht sent their bourgeois representatives to parliament and therefore only in Holland the top of the social hierarchy was filled with commoners (*ibid.*). Between these commoners and Stadtholder noblemen reciprocal confidence grew over time and major conflicts could be overcome. The art of governing by negotiation and compromises was transferred from the city level to the state level. This is the historical explanation of the informal institutional structures in the Netherlands and the basis of consensualism and pragmatism. The commoners dominated the policy-making arena by negotiation and compromises, with a deep-rooted sense for equality as a result. In Elias' words: the cultivation of equality above all. This also explains – despite physical similarities and vicinity – the relatively large differences between Dutch and German habits in policy making.

The small scale of the Netherlands strengthens consensus orientation (Dijkink 1990:127). First, the relatively large outside world forces the small countries to cooperate internally. Second, policy makers meet regularly and are therefore forced to react consistently either by disagreeing or by agreeing. These exact effects can be seen in the Schiphol area: first consensus on developing the airport area in order to stay competitive, then policymakers have to respond constantly to new plans, while getting entangled in a net of governance structures and actor coalitions in the airport region (see chapter 6.6; cf. De Grave 2005).

History of centralisation in the Netherlands

In order to understand centralisation and integration of policies in the Netherlands 'decentralised unitary state' after the era of Stadtholders and commoners, Auke van der Woud took a closer look at the Batavian Republic (1795-1806), when the Netherlands was a tributary vassal state of France, the French occupation (1806-1813), and the establishment of the Kingdom of the Netherlands afterwards up until the introduction of the constitution law in 1848 (Van der Woud 1998). Unification brought needed modernisation to the Netherlands (De Jong 2002a). In the 19th century, the waterworks construction agency *Rijkswaterstaat* and King Willem I were the main instigators for this modernization by centralisation.

First, Rijkswaterstaat had specialised knowledge in water management and land reclamation. They strived for the integration of local water management interests with higher levels of planning. The search for the appropriate level of scale for water management is one of the reasons for a continuous change of borders of territorial units in the 1820s (Van der Woud 1998). Rijkswaterstaat started at the national level, as the French occupiers introduced it. It began with the characteristics of a French model, but later decentralisation of functional units lead to regionalisation, which was in-line with the new constitution.

Second, King Willem I initiated major public works in the Netherlands. In the beginning of the Kingdom in 1815, the King had wide legislative powers to develop these projects.[2] Not only canals for waterworks and reclaimed polder land, but also railways and national roads were constructed in the name of national unity. These projects did not focus on developing new regional centres; instead they improved the economic position of the traditionally dominant cities. As a result, there was an economic reorientation of the competing cities of Amsterdam, Leiden and Utrecht (De Klerk 2006). King Willem I improved unity in the Kingdom, but these

projects caused a major financial burden.[3] According to Van der Woud, the Dutch government wittingly lacked transparency in the then "police state", in order to serve the national interest without constant interference of parliamentary accountants (Van der Woud 2003:523). This lack of transparency and insight for parliament is an institutional consistency that can even be seen today. A comparison of the planning procedures of the Betuweroute and HSL-Zuid railways demonstrates this (Tweede Kamer 2005).

Until the introduction of the new constitution of Thorbecke in 1848, the provincial law in 1850 and municipal law in 1851, local and provincial governmental tasks were not clearly defined. Since the introduction of this new constitution, provinces were more or less set off-side, because provinces lacked their own revenues. In the mean time, the construction of a railroad network contributed to the unitary state and further centralisation. This was made possible after curing government finances in the 1860s and 1870s; banks loans, and new investment companies were set up (De Klerk 2006). The idea that infrastructure could be a government investment became commonly accepted. After the economic spin-offs from investment in urban projects were proven, the conservative city governments were waking up and started following this trend. The construction of Schiphol airport by the City of Amsterdam is one example.

Policy integration
The ability and willingness to integrate governmental measures into long-term policies are the best institutional conditions for central planning in countries such as the Netherlands and France (Van Waarden 1999). Political control and stability, control of bureaucracy, planning tradition, and education of bureaucrats are decisive factors for policy integration in the case studies. Bureaucracy control was discussed above.

First, the Netherlands has a history of majority coalition governments that contribute to political stability. Most coalitions are near the political centre and major political shifts in airport policies were not found, as chapter 4 showed. Dutch consensualism is furthermore one of the main reasons for the depoliticised planning culture, where in contrast Belgian and German planning culture is politicised (cf. De Vries 2002). The lacking of explicit political choices and policy changes are described by Dijkink (1990) as collective amnesia and groupthink, which can be explained by a human need for cognitive consistency and avoidance of dilemmas and sacrifices. The relative silence of airport growth at Schiphol compared to riots and demonstrations in Frankfurt and Narita illustrates this tendency of avoiding political conflict in the Netherlands.

Second, the Netherlands have a strong planning tradition that goes further than the 'state within a state' Rijkswaterstaat. In the Netherlands, planning is generally accepted and is closely related to the notion of a society living in self-made polders protected by systematically planned waterworks. After this necessary national waterworks agency was established, the national planning trend spread to other policy sectors (Van Waarden 1999:358). The names of the Dutch national planning bureaus refer to the planning acceptance in the Netherlands: if translated literally, Spatial Planning Bureau (RPB), Economic Planning Bureau (CPB, Social-Cultural Planning Bureau (SCP), and Nature and Environment Planning Bureau (NMP, see chapter 6). Almost all of these national planning agencies have their sector-specific role to play in Schiphol policy advisement.

Third, training and recruitment of bureaucrats for the ministries are essential for policy integration and long-term planning. Ministries in the Netherlands have created their own

bureaucratic professional traditions: engineers at the Ministry of Transport, legal experts at the Ministry of Justice, economists at the Ministry of Economic Affairs and urban planners at the Ministry of Housing and Spatial Planning. According to Van Waarden, this led to pluralism, with greater activism at the transport and spatial planning departments, and a reactive approach at the economic and justice departments. This understanding of bureaucratic professional recruitment and education is also important for understanding the problems of horizontal coordination (sector 'pillarization') in the Netherlands, as later discussed in chapter 9. In managing the 'tribe wars' as found in the beginning of the 1990s, necessary institutional change does not have to go as far as merging ministries as in Japan and in Germany; a more diverse recruitment policy can also be useful.

Dutch corporatism and moderate intervention
Germany and the Netherlands both have an average level of government interference. Dutch and German states have relatively high ambitions of steering and regulation of their societies, in order to compensate for market imperfections and limit market competition extremes. In contrast to the U.S., there is no Dillon's Rule (also known as ultra vires) that declares local jurisdictions are the creatures of the state and may exercise only those powers expressly granted them by the state (Grumm and Murphy 1974). Intervention and activism however are tempered, and in the case of the Netherlands, flexible with legal rules (Van Waarden 1999).

Regulation can range from market (liberalism) to state (etatism) and societies (corporatism). The Netherlands has a high degree of corporatism, where labour unions see political participation as an aim and are reform-oriented. Appreciation of Dutch corporatism shifts from time to time: from the cause of Dutch disease in the 1980s, to the basis of the Dutch miracle of the *poldermodel* in the 1990s based on neo-corporatism (Visser and Hemereijck 1997), but what is considered 'muddling' since the national elections of 2002. Apparently, corporatism has a life-cycle that regularly needs reinvention adjusted to new circumstances (Schmitter and Streeck 1987).

Dutch corporatism has deep and broad roots in society, with associability, subsidiarity, collegiate governance and consensualism as main features with historical roots (Van Waarden 2003a). Associability dates back to the era of trading cities in the Dutch Republic (1581-1795). It was the first in Europe to have a bourgeois society organized into many formal organisations as guilds, chambers of commerce, and shipping trade companies, etc. Even central state tasks such as defence and diplomacy were privatised in part under the Republic. The principle of subsidiarity for instance was used for the United East Indian Company (VOC). These are according to Van Waarden indicators that there was no real separation between government, society and economy (*ibid.*).

Despite post-war socio-cultural depillerization of society, associability and subsidiarity as institutions of corporatism exist to this day. This insight can help to understand and analyse a public task with a corporate business model like Schiphol Group in its early stages, and the unique model of municipal land supply companies, both discussed in chapter 8. Schiphol co-determines policy making, although sometimes obviously to its own advantage and at others' disadvantage, but with the public interest the company represents a decisive position.

Moderate formalism

Dutch bureaucrats combine a consensus orientation with moderate formalism in its relations with organised interest groups. In the Netherlands, explicit equal representation used to be required due to the history of denominationalism along social-political lines of liberals, socialists, Catholics and Protestants. Equal representation can hamper access of new (informal) interest groups to the policy-making arena. Furthermore, the relative formalist approach can lead to privileged access of organisations, with acceptance of monopolies as a result. The established denominationalisms of socio-economic groups in combination with national planning bureaus are the reasons Faludi (2005:299) see a clear path to dependency in Dutch planning. Each pillar runs its own system of provisions, including housing corporations, leading to the described corporatist structure.

The negative side-effects of moderate formalism from the case study can be seen in the institutional problems of Schiphol. The contacts between the established actors involved in area development have improved, while in the wider region the general sense of distrust has rapidly increased for its citizens. Other developers feel excluded or are excluded from developing the potential of the Schiphol area (see chapter 9).

Dutch pragmatism in policy implementation and enforcement

The pragmatic and tolerant style of policy implementation and enforcement in the end is a major cause for the toning down of interventionism and activism from Dutch bureaucrats (Van Waarden 1999:337). Dutch pragmatism is reflected in commonly used dispensations, policy experiments, policy evaluations, and tolerance of illegal drugs and prostitution (*gedogen*). This tolerance in combination with moderate formalism hampers access to newcomers, and is also one of the reasons that the Netherlands could become a formalised and regulated "cartel paradise" protecting amongst others, the construction industry. Only recently have they occasionally suffered devastating competition (Van Waarden 1999:335). As long as governments did not introduce new legislation for bidding, cartels with price agreements could continue to exist. Chapter 8 will discuss the cartels in the construction sector in the 1990s in depth. Cartels are not new, as they were characteristic for the self-satisfied and institutional lock-in era following the 17th century Golden Age (De Klerk 2006). American legalism would have led to court appeals already in the 1990s, but the European Commission is getting more active in dismantling existing cartels in the Netherlands today.

7.4   Socio-cultural institutions in Germany

German socio-cultural institutions can be characterised as moderate: corporatist, moderate formalism, moderate planning ambition and consensualism, combined with legalism and perfectionism. These moderate positions are not average positions, but carefully balanced between more extreme institutional standards.

German corporatism

Germany's regulation model can be defined as corporatist with unions and societies playing a significant role in the co-production of policies. The German model is however less corporatist than the Netherlands and Japan. Sectorism is more dominant, with political confrontation

creating autonomous areas of regulation. This sectorism with the decentralised structure is one of the major reasons that the revival of corporatism in the Dutch *poldermodel* in the 1990s could not be implemented successfully to make the German welfare state more competitive (Lehmbruch 2003). Institutional change in Germany is limited by the strong position of labour unions. These unions in a large country such as Germany need substantial deliberation. Employers are less organised in Germany than in the Netherlands. In addition, states that are represented in the *Bundesrat* house of representatives in Berlin, tend to block or delay governmental reforms when political majorities are differ between *Bundesrat* and national parliament, the *Bundestag*, or when state interests are at stake. This is considered one of the major challenges for institutional reform in Germany.

German formalism

In the case of France, England, Sweden and Russia, feudal class-based societies in the Middle Ages were continuously reconstructed towards solid integrated nation states with the king as sovereign leader (Elias 2003). In the German empire however, local monarchs held the positions of power. Furthermore, Germany's unification process and regime building in the 1900s was strongly influenced by the difficulties of integrating Slaves, Latins and Germans. During the Middle Ages the German empire lost its leading role. The conflicts with Prussia and Habsburgs that followed in the 18th century were stopped by Bismarck's last victory, which is the basis of the current Germany. According to Elias, the victory of German armies over France was at the same time a victory of German noblemen over the German bourgeoisie (2003:22). Since then, the bourgeoisie have taken over the norms and models of the aristocracy, with formalism as a rule and some liberal commoners as exceptions.[4]

For Elias, the path dependencies of formal structures since the Middle Ages are too deeply rooted to be swept away by post-war attempts to further informalise German society in the 1960s and 1970s. This history explains the formal institutional structures in Germany today. Van Waarden (1999) considers Germany to be less formalistic than the Netherlands, since relationships between governments and civil society groups are less outspoken. For example, the Netherlands formerly required equal representation of liberal, socialist, Catholic and Protestant parties.

German formalism was also found in the case study interviews (Van Wijk 2004). Bureaucrats on all levels define their responsibilities and position in the hierarchy precisely. This leads to less interference in another actor's jurisdiction. For instance, in an interview the Hessen state Ministry of Economy would not give her opinion on real estate development near the airport since it is not within her jurisdiction. On the other hand, formalism can lead to a less pragmatic approach and bias towards their specialisation. In the case study, project developers criticised the compartmentalisation of specialists in the Frankfurt civil service.

Moderate planning and consensualism

Control of bureaucracy, planning tradition, political control and stability, and education of bureaucrats are considered the four decisive factors for policy integration in long term planning, as introduced in section 7.2. Federalism, political stability, politicisation of planning and the juridical background of civil servants' positions limits planning and intervention. Therefore, German planning lies somewhere between the central planning of France and fragmentation of the U.S. and U.K.

Firstly, in German state intervention, activism was limited by power sharing of local shires and duchies.[5] Later with the federal state model, sector specific policy making areas were defined. This turns out to be a deciding factor in the case study of Frankfurt Rhein-Main's passive state intervention. It was not until German unification in the 19th century and the railroad construction with Frankfurt as a regional node, before territories in Hessen were connected and started to integrate. This is the reason that spatial organisation structures are still dominated by the splintered past of the city-region, e.g. local districts and local banks (Freund 2002). It provides the historical background for the lack of regional cooperation as described in chapter 8.[6]

After the Second World War the federalist state model was introduced and can be seen as a path dependent institutional successor of the autonomous shires and duchies in the German Empire. Germany has a planning ambition in common with the Netherlands (*Gemeinschaftsaufgabe*). German institutional roots of planning are strengthened by legalism and perfectionism (discussed below). The planning ambition is carefully limited by federalism, where planning is a responsibility of the states, and the federal level has few instruments to intervene in planning (Mayntz and Scharpf 1975). Therefore, Alterman (2001:13) categorises the Netherlands, Japan and Israel as countries that institutionalised national planning, where Germany and Britain are considered as 'half-haves.' Those countries that have national urban planning institutionalised used this instrument for nation-building, reducing inter-regional disparities and for dealing with higher than average population densities.

Secondly, planning ambition is moderate due to the political system. The right-centre CDU tends to govern with the liberal FDP, whereas the left-centre SPD tends to govern with the Greens. This might lead to political shifts after elections. The interviews in Frankfurt Rhein-Main however, show that this is not the case at the regional or local level. First, the political party that is in charge will choose the middle of the road to keep the majority of voters satisfied. Second, the influence of politics on the planning of projects that are widely considered necessary is limited. For instance, all political parties support investments in the S-bahn network, road network and downtown offices. Despite changing coalitions, since post-war times Frankfurt Rhein-Main has experienced stable growth (Ronneberger and Keil 1995, Ploeger 2004). In the case of Frankfurt International Airport, not only do the FDP and CDU support airport expansion, but also the SPD favours the jobs and economic growth over environmental concerns.

Third, despite these nuances, urban planning in Germany remains politicised, as consensualism is not as ingrained as it is in the Netherlands. In the interviews, some actors envied Dutch consensualism. Germany also has a consensus orientation, but authorities in the end do not hesitate to object (Van Waarden 1999). In the case study area however, governments are not in the institutional position to push through their plans in the end. Nevertheless, regardless of the consensus orientation in Germany, according to former Frankfurt planning alderman Wentz (1992), it is harder than ever before to continue consensus making in urban planning, since nearly all projects generate conflict and resistance. This is reflected in the case study, where a strong and active minority of environmentalists and local communities oppose further airport development. This politicised nature of airport planning is the third factor for moderate planning and the lower degree of consensualism.

The fourth and final element for the degree of policy integration is recruitment and training of bureaucrats. Germany along with France and England has a central administrative office for recruitment of future bureaucrats. This office is dominated by and focussed on legal experts (*Juristenmonopol*). For higher civil servant positions it is essential to pass legal tests. These bureaucrats furthermore increase the legalistic culture in policy maintenance (Van Waarden 1999). This common legal perspective of bureaucrats however, also reduces the chance of pillerization between the ministries as can be found in the Netherlands and Japan.

German legalism
The style of policy implementation and enforcement in Germany is legalistic. Federalism and corporatism adds some flexibility to maintaining laws and implementing planning (Van Waarden 1999). Germany combines legalism with moderate consensus since bureaucrats are often required to have a background as a lawyer or pass state exams in law. Furthermore, German legalism is based on the higher status of legal institutions. Where most interviewees in the Randstad case study see legal rules of the game as a necessary evil, Germans are more positive, and accept that laws are necessary to defend particular interests. The image of the German Weberian conservative bureaucrat with a legal attitude however can be nuanced by Putnam's findings (1973). German bureaucrats are comparable in social and political engagement as their English colleagues, while Italian, and as the interviews show Japanese bureaucrats are more conservative. This is mainly a matter of age: Italian and Japanese higher bureaucrats are older and focus more on legal equality and economic interests.

7.5   Socio-cultural institutions in Japan

Current institutional arrangements can only be understood by studying historical roots of socio-cultural institutions since the Tokugawa era. Therein, Japanese socio-cultural institutions show combinations of centralism with consensualism, state regulation with corporatism, and political stability with a depoliticised nature overall. The interpretation of planning is furthermore very different from western countries.

History of centralisation
The Tokugawa era started in 1600 when Tokugawa Ieyasu, the last of three great generals established the Pax Tokugawa. After a long period of battles over land, Tokugawa and his followers won the decisive battle and reunified Japan. The Tokugawa regime lasted until the Meji modernization revolution in 1868. Tokugawa rule was based on an idealised Confucian model and was founded on a rigid class system of samurai (warriors), peasants, artisans and merchants (Sorensen 2002:13). Control became regularised when the samurai elite converted from military to administrative officials, collecting taxes in the castle towns. This led to rapid urban growth in the 17th century, and all over Japan castle towns were established.

Tokugawa rulers worried that ongoing urbanisation would lead to a collapse of the established moral order, and suspicion of the potentially disruptive commoner population of the towns (ibid.). This is one of the reasons for the strict order of classes in military-style hierarchy in castle towns and cities. Samurai, commoners and temples had their own residential areas.

Furthermore, cities were self-managing but not autonomous, and the shogunate was careful to ensure that their authority and control were unchallenged.

In 17th century Western Europe, independent self-governing cities underwent an economic and cultural transformation from the feudal era through to industrialisation, with a leading bourgeoisie class that had attained legal position. The self-governing Dutch cities are a profound example of this regulation model. In Japan however, there was no such tradition of self-government, the feudal period was directly plunged into industrialisation and modernisation.

"The idea that cities could or should have self-governing powers, and the legal frameworks that established local governments as corporate bodies which could own property, manage business, and keep accounts did not exist in the Tokugawa period, and were slow to develop in the modern period. The limited autonomy of the merchant and artisan classes in the cities has had profound long-term effects on the development of Japanese urban governance and planning." (Sorensen 2002:22)

Eisenstadt (1996) also underlined that the Japanese city did not become an independent political entity with a distinct civic consciousness. Nevertheless, the city does have a significant degree of economic and cultural freedom that established a culture of self-reliance and self-governance within the centralist system.

State regulation and corporatism
The history of Japanese socio-cultural institutions has had long-term impacts on the current institutional arrangements. First, it is the basis of Japan's state regulatory model, which comes close to French etatism. Japan combines state regulation with corporatism. The comprehensive and centralised state intervention is functioning, since it is carefully limited and pluralistic, with politically passive unions and societies (Tanimura and Edgington 2001). The Japanese authorities since the Meji and post-war modernisation revolutions are particularly aware of the importance of the market, seen as necessary evil. According to Otto (1999), governments have been aware since the modernisation in the Meji-era that by privatising, companies would work more efficiently and be more successful. The results are economic institutions with an ideology including key elements of free enterprise, and centralistic principles of anti-communist and anti-capitalist state planning (Ortrud 1999:36).

Current institutions are rooted in the 1930s, when attempts were made to catch up industrially and militarily with the west, with characteristics of corporatism. Corporatism can be found in the Japanese structure of government policy co-production with *zaibatsu* and post World War II *keiretsu* business conglomerates. These conglomerates of holdings and later banks, business units, contractors and subcontractors, notably Mitsui, Mitsubishi and Sumitomo, had to invest in the national policy companies in the 1930s, 1970s and 1980s following government regulation to move into Japan's countryside. In return, business conglomerates were protected from competition and granted privileges and subsidies (Otto 1999). Aoki (1997) claims that this successful match between the institutional framework and the private sector in Japan is an unintended lucky fit, and Japan is therein different from other Asian state models of development.

The system of *amakudari* ('descent from heaven', Davis and Ikeno 2002) is another essential element in the Japanese model of corporatism. Former governmental officials obtain

highly attractive postretirement jobs at private or semi-private companies. This improves the government-business relationships with better mutual understanding, but the other side of the coin is that bureaucrats become quasi-agents of business interest groups and become sensitive to manipulation. This is the main reason that the once famous *amakudari* system is making a return.

The keiretsu model of business agglomerates in combination with project leading unremunerative government investments was characteristic for the development process of Kansai International Airport (Bongenaar 2001, see chapter 8.3). The financial losses and the system of bid-rigging and collusion are now the major reasons why public-private partnership in Japan is considered not successful, and actors refrain from implementing a similar model nowadays. The failure of public-private partnership and the failure of government planning of public works, and coastal strips near the airports are major reasons the government privatises or contracts out urban projects. The Chubu International Airport policy experiment is an example of this.

Japan's paradox of centralisation and consensualism
Dutch consensualism has its historical roots from its created society through hydraulic engineering. The Japanese model of consensualism is based on unanimous rule that is historically rooted in *murahachibu*. In the Japanese countryside, people had to cooperate in order to produce rice, and they sacrificed themselves to avoid exclusion from the community (Davies and Ikeno 2002). Hierarchy was needed in order to equally share rice, and later other commodities.

Japan today is a mixture of centralisation and consensualism. A socio-cultural institutional explanation for this paradox is a culture of conflict avoidance. In the case study interviews, a strong tendency towards conflict avoidance was found. Politicians prefer not to make urban projects the subject of political discussion, and would rather focus on the economic interest. Ministerial bureaucrats tend to avoid direct conflict with the local community, especially after the trauma from the violence in Narita, and because of the precedent set from not using the expropriation tool afterwards.[7] New airports in Japan are not only located on artificial islands in the sea for noise pollution and land cost purposes, but avoiding conflict with land owners and expropriation is of comparable importance.

Because of the conflict-avoiding attitude in urban projects, Japan can be similar to the Netherlands; both can be described as having a depoliticised planning culture. Conflict avoidance is closely related to another social-cultural institution, agreement on decisions in groups. A majority of votes is insufficient to implement policies; all actors have to agree on the proposed plans or should be kept satisfied with some 'pork' in the 'barrel' (Interview Suzuki 2005). In the case study, most actors agree that the costs of construction of this second runway will not be returned; based on economic calculations. However, in terms of political calculation, this investment might be meaningful. Kansai citizens and enterprises, and thus potential voters are satisfied.

Planning culture
The long-term influence of the urbanisation period in the 17th and 18th century on Japanese planning culture can be distinguished in two manners (Sorensen 2002:39). First, urban traditions are reflected in the traditions of local administration, town building, architecture and patterns of class-based housing zones. China and Japan do have a long urban tradition, but without an

emergence of a bourgeoisie or land-owning urban class (*ibid.*). Urban planning up until today primarily focussed on housing the poor in grid patterns, whereas richer areas could incrementally develop by themselves in a more organic way. Urban development planned by the public sector is therefore today seldom associated with a high-quality urban environment. Second, the urban legacy of the Tokugawa era is a rich material culture, good housing, and high levels of physical well-being. These rather effective urban technologies and forms are according to Sorensen (*ibid.*) the main reason that there was no need to develop a modern urban planning system in Japan.

Because of the well-functioning urban system heritage of the Tokugawa era, the governmental focus was primarily on the industrial catch-up with the western world and military expansion during the Meji revolution (1868-1912) and afterwards, with a further increase in governmental centralisation (Sorenson 2002). Furthermore, it is the basis for the economic orientation of Japan today. The modernisation in the Meji revolution and after World War II fits into the urban legacy of urban technologies, when planning was filled with development projects: bridges, tunnels, housing, port and airport construction rather than planning regulation, such as building standards and zoning. These socio-cultural institutions from the past co-determine the current path of development. It not only brings understanding of the economic orientation and loose planning regulation, but also the tendency of centralisation and control, including airport construction and management. The significance of planning is therefore different from the interpretation in the west:

"In the west, planning meant establishing concrete goals with specific targets, and determining how the target was to be achieved. This principle way of thinking fixes targets in advance, defines rules and actions. (…) The Japanese approach is different; in its rule-oriented thinking, the future cannot simply be extrapolated from factors known here and now. What will be found on arriving at the goal should emerge in good time. The direction to be taken is found by relying on information that reflects changing conditions, leading in return to a constant re-formulation of the rules and actions to be followed. This is why in the Japanese way of thinking; rules of action formulated today to arrive at a goal must not exclude certain other kinds of action. Whereas Western thinking concentrates on a pin-point target, the Japanese idea of a goal is diffuse, broad and lacking in any order that is recognizable in advance." Pauer (1999a: 86)

This citation implies that the construction of public works in Japan, as will be discussed in chapter 8, should not be merely seen as setting rational goals and economic profits, but more as the consequence of rule-oriented thinking (top-down decision making by the establishment of influential ministries) combined with risk-taking future investments: maybe at the moment the investment in public works might seem unremunerative, in the future, in good times, the situation can be different.

Integration of policies
For understanding fragmentation versus integration of policies, control of bureaucracy, planning tradition, political control and stability, and education of bureaucrats are decisive factors. All elements for policy integration in Japan are present: as discussed high control over bureaucracy, a (economic) planning tradition, political stability and bureaucrats with status in society. Japan is well-known for political stability. This focus on stability dates back to the era of the shogun,

samurai and emperor. After World War II political stability was established; with an exception of two years the Liberal Democratic Party ruled the country, either by itself or in coalition with other right-wing conservative parties. Currently, the LDP has formed a coalition with New Komeito.[8] Political parties avoid the left part of the political spectrum, in fear of being turned away as 'left radicals' that violently attacked the construction of Narita airport. Party politics turn out not to be a central issue in Japan. Within the LDP party, there are several factions with different opinions.

Similar to France, national level civil servants have to graduate from the best universities. Not that the university grades are decisive, but the university graduation itself is decisive for future jobs. In particular graduating from law, economics and public administration at the national universities: University of Tokyo, University of Kyoto, and Waseda or private universities like Keio is recommended. Van Wolferen (2004) extensively discusses how university graduates have guaranteed government jobs for life. The background of civil servants is therefore not sector-related, but the common background of these universities is predominantly conservative and formalistic, with a high social status.

Rotation of management functions in the public sector is the major reason that no-one is held responsible for failures (Porter *et.al.* 2000). The unclear defined roles and cooperation of the actors have led to large-scale corruption and non-transparent acting; even World Bank standards of good governance are partly not met in this reflexive political economy of Japan. On the other hand, *amakudari* job rotation improves the public and private actors' understanding of each other's working cultures. MLIT ministry bureaucrats and Tokyo Metropolitan Government officials joined the airport authorities in public-private partnerships to work for a few months on projects, which increases mutual understanding.

Mr. Tada and Mr. Yoshimura (Mitsui-Fudosan, Interview 2004): *"Companies have to make profits, nowadays governments should avoid loses. We have the same goal: making profit is avoiding losses."*

Civil society groups in Japan
Japanese, Dutch and Germans thus have more confidence in their bureaucrats than in their politicians, and consider them fully capable of dealing with interest groups. This creates a larger playing field for bureaucrats in planning ambitions and possibilities. Dealing with newcomers in Japan is more formalistic than in the Netherlands or Germany. Important regulations protecting the interests of existing corporations still remain in Japan. Firms obeyed government guidance only because some relative gains (e.g. new orders) could be expected – not out of obedience, argues Ito (1999). In western countries, the misconception that Japanese companies and individuals follow governments or authoritarian rule out of obedience is regularly found. Other groups and newcomers are historically excluded or disadvantaged from the formalist system that is dominated by the *keiretsu*. There are however independent groups such as Toyota, Honda, Panasonic and Nippon Steel that are highly competitive and operate more independently.[9]

Pragmatic policy implementation and enforcement
Japan's policy implementation and enforcement is similar to the Netherlands – pragmatic. Few cases are brought to public prosecutors or the courts. The interdependence and consensus orientation make actors negotiate and find a solution. For instance, a firm ignoring policy

guidelines risks lower long term profits because of official penalties, fewer contracts and retaliation from rivals (Ito 1999:80). On the other hand, law violation by real estate developers or constructors seldom leads to prosecution. For example, building too high, too dense with too many floors is common practise. Actors are usually able to settle the matter amicably. In the case of building too high in Kunitachi, the Supreme Court rejected neighbours' complaints (Asahi Shimbun 4.1.2006). Law enforcement has recently become more strict since the case of national upheaval in 2006 over manipulated earthquake resistance calculations for hotels (referred to as the Aneha incident, Yomiuri Shimbun 6.5.2005), and prosecution of bid-rigging (Asahi Shimbun 11.11.2005).

7.6   Conclusion

To understand the socio-cultural institutions and their dynamics that determine the actors' playing field, Van Waarden's theoretical framework of national regulatory styles of was applied to the case studies. These regulatory styles are based on rule formulation, the nature of the rules, implementation and enforcement as stages (1999, 1999a). The institutional analysis shows how the historic roots of these socio-cultural characteristics co-determine the current institutional arrangements, including airport area planning.

The case studies are examples of coordinated market economies, with corporatism as the main regulation model. The cases vary in degree of corporatism however. Unions and societies have a strong position in policy making in the Netherlands and Germany. The role of corporatism in Japan is not represented by these sector unions, but is represented by large business conglomerates that have a say. These companies are also offered the chance to develop airport islands. Corporatism in the case of Schiphol and Frankfurt show that governments set up their own 'companies', with a large degree of freedom, in particular airport authorities and municipal land supply companies.

The degree of intervention in all cases is moderately active, but also varies in their socio-cultural institutional arrangements. The ambition to introduce new plans is highest in the Netherlands, but limited by the pragmatic implementation and enforcement of rules by bureaucrats at lower levels. The ambition in Germany is reduced by the limited jurisdiction of the federal state; there is no airport strategy at this level. In Japan, it is carefully pluralistic and limited by the awareness of limited government efficiency.

The integration of policies is in decentralised unitary states such as the Netherlands, and centralised countries such as Japan are easier to implement than in the Federal Republic of Germany. These formal rules of the game are dominant over the informal institutions that limit the degree of policy integration. Policy integration is slightly limited by the background of bureaucrats. In Japan this leads to rivalry between ministries, and in the Netherlands every ministry attracts their own type of ministerial civil servants, which colours the ministry in a certain way. In Germany, civil servants often have a common legal background.

All case studies are examples of consensualism. This has historical roots ensuring its survival in Japan and the Netherlands. In airport area planning, all governmental levels play a role and consensualism partly explains the large number of consultation platforms in chapter 6. Consensualism in Japan makes the hierarchy and centralism acceptable for Japanese, since there

is in the end for everyone a share of the pie. It can furthermore be understood by the conflict-avoidance culture; one of the main reasons to construct airports on artificial islands in the sea. Although German socio-cultural institutions are also characterised by consensus, the strong role of German unions have to be considered. German authorities do not hesitate to enforce new rules when necessary, which is the most likely reason for the decrease of cartels in Germany after World War II as a more legalistic policy maintenance style was introduced. In airport area planning, the roles of the different actors are also more clearly defined than in the other cases. And although Japan introduced comparable legislation at the same time, the interpretation of maintenance is different.

Finally, the Netherlands, Japan and to a lesser extent Germany, have a formal attitude towards civil society group newcomers. This can be explained by history. In the Netherlands, society was organised by compartmentalisation of Catholics, Protestants, liberals and socialists. These established interests of equal representation are less open to newcomers. The centralist and hierarchical model of Japan lead to formalism as well. In Germany, legalism and accuracy contribute to formalism, but in general the attitude towards newcomers is more moderate.

Notes

1   Illustrative for the pragmatic policy style are lower numbers of lawyers and prisoners. In 1992, the Netherlands had only 35 lawyers per 100.000 inhabitants, less than Germany (190) and the U.S. (312). The Netherlands had 21 prisoners per 100.000 citizens in 1995, Japan had 44, few compared to the 217 in the United States (Van Waarden 1999).

2   According to the Constitution of 1815 article 215, the King was supervisor of all waterworks, including bridges and sluices. These waterworks had to be paid by public treasury. King Willem I interpretation however did not strictly separate this public domain from his private interests (Van der Woud 1998:513).

3   The continuation of these projects were only possible by 'robbing Peter to pay Paul' and a lack of financial insight for outsiders. Even if the costs of public works were transparent, Dutch Parliament complained it had no understanding if estimated costs are reasonable or not (*ibid.*).

4   Nevertheless, the unequal power and status positions of the social classes remained. German bourgeoisie were not always able to copy the models of the more civilized 19th century military class well, as 20th century history has pointed out (Elias 2003).

5   In Frankfurt Rhein-Main for instance, the shire (and later electorate *Kurfürstentum*) Hessen-Kassel in the north, the shire (and later grand duchy) Hessen-Darmstadt in the south, and the shire Nassau (and later Dutch property of King Willem I) in the west dominated the period 1567-1866 (Freund 2002). In the later 19th century, Frankfurt became a free city and the kings of Bavaria and Prussia claimed parts. The elimination of conflicts with Prussia and Habsburgs that followed in the 18th century were the result of Bismarck's last victory, which is the basis of present day Germany.

6   Despite these path dependencies, today the Middle Ages – with the exception of hanseatic towns – hardly plays a role in German self-image. The main reason is that German history has been broken down due to the First and Second World Wars, which is in contrast to the continuation of self-governing cities in the Netherlands (Elias 2003:18).

7   Evictions in 1970 and 1971 where 3 policemen and 1 anti-airport league supporter were killed, the control tower was destroyed in 1977, and in 1988 the Chiba Prefecture Expropriation Committee chairman was badly injured (NAA 2003).

8   The Minister of Land, Infrastructure and Transport is a New Komeito politician and the expectation was that the New Komeito minister would lead to different results than LDP predecessors. However, except for Haneda's airport management, no shift was seen since New Komeito came in power. Local roots of the minister turns out to be a more important factor; the current minister comes from Kansai, so he supports the construction of the second runway at Kansai International Airport (Interview Oki 2004).

9   Porter (*et.al.* 2000) argues that these competitive firms and automotive and electronics sectors are carrying the uncompetitive – often protected – sectors in Japan. Particularly relevant is the weak competitiveness of the over-regulated and over-protected aviation and construction sector.