

The Swiss reform of the allocation of public tasks: Toward more Effectiveness with the conventions-programs?

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Keywords

Conventions-programs, Federalism, Multi-level governance, Allocation of tasks, Switzerland, Principal-agent theory, New Public management

Abstract: *The effectiveness of public policies management significantly depends on a clear allocation of tasks between levels of government. In 2004 was accepted the Swiss reform of the allocation of tasks in order to “re-assign” the responsibilities between the federal government and the cantons, and to redefine the values of federalism. Implemented in 2008, the reform allowed for redistributing the public tasks between the institutional levels. The separation was impossible for twenty-nine public tasks however. In order to deal with twenty of these common tasks, the conventions-programs were introduced, which are public law contracts signed by the Confederation with each canton. By selecting five types of conventions-programs applied in six cantons, this article examines whether these contracts allow for stronger effectiveness in this new implementation process, and whether they are the solution to reinforce the vertical cooperation and reduce cantonal inequalities, with attention to two themes: (1) the relationships between the federal and cantonal levels, and (2) the prospect for an emerging multi-level governance which could legitimate the policy making process with the participation of municipalities, private actors and associations.*

1. Introduction

Concerns to reform the policy making processes are closely related to widespread pressures for improved effectiveness and efficiency in service delivery in democratic countries. The focus on improving public management has been already widely examined but involves today new concerns about recent implementations of reforms and programs. In this perspective, this article provides an analysis of the Swiss reform of the allocation of tasks on the vertical cooperation and the policy making processes. A majority of former parliamentary discussions about this reform were promoting the term of effectiveness rather than efficiency². This contribution thus examines to what extent the effects of this new way of functioning meets the objectives and/or expectations of the reformers by going through the measure of effectiveness, defined by the ratio of outputs (results) over outcomes (effects) (Van Dooren and al. 2015:24; Heinrich, 2012:37; Knoepfel and Varone, 1999:130; Knoepfel *and al.* 2007: 253).

This contribution is part of a thesis being developed (started on June 2014 and to be ended 2017), which is about the evolution and functioning of the vertical cooperation in the light of the reform in question. This paper follows a rather straightforward sequence. To start with, the problematic is raised with the five research dimensions. Then, as a second step, I discuss in short the theories and describe the conventions-programs. Following this, I present the results of the interviews. Finally I attempt to wrap up.

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² “Evaluation on Effectiveness of the Swiss reform », 2014 March – Mr. Werner Weber, Swiss Federal Administration
“The Reform aims to improve the effectiveness of the implementation of tasks, reducing cantonal disparities, and reducing costs”, Federal Control of Finances, September 2007; www.nfa.ch

2. Context and problematic

This reform, accepted on 28 November 2004 by 64% of the people and 20½ cantons and implemented in 2008, is probably the most significant reform of Swiss federalism ever. The aims of the reform is to “re-assign” the responsibilities between the federal government and the cantons and to make the implementation of public policies financially more efficient and effective (the so-called “new equalization scheme”, “*Neuer Finanzausgleich*”; NFA). The public tasks were redistributed, according to the leading and fundamental principles of subsidiarity³ and fiscal equivalence. This enacted twenty-seven changes in constitutional articles and more than thirty modifications of laws (Braun, 2009). Seven tasks came under exclusive federal responsibility; ten were under the control of the cantons; and twenty-nine were carried out by both the Confederation and the cantons known as the “common tasks”. For these common tasks, it wasn’t possible to separate the management and the implementation. In order to deal with twenty of them, the reform introduced a new instrument: the conventions-programs, which are public law contracts signed by the Confederation with each canton, based on the provision of global or block grants, and generally valid for periods of four years (2008-11, 2012-15 and 2016-19). We just entered in the third period. Supposedly, vertical collaboration is reorganised around new common tasks, leaving less power at the federal level and providing more for the cantons (Cappelletti *and al.*, 2014).

To understand national and regional relations in Switzerland it is helpful not only to look at the structure and the organisation, but also to have a brief look back at history. Switzerland’s existence as a modern federal state dates back to 1848, when the cantons and their citizens accepted the new Federal Constitution, which guarantees each institutional entity status, autonomy and a degree of sovereignty (Frey *and al.*, 2005). The national state has been unified thanks to a federalist system and a strong decentralization: the Swiss Federal model separates state power in three institutional levels (“power-sharing”): federal, cantonal and communal. Switzerland can be best described as a “bottom-up” type of cooperative federalism that leaves considerable policy scope and fiscal competences to the symmetric federal units (Ladner, 2015). However, the apparent institutional stability of Swiss federalism since 1848 has long masked a hidden centralization of power both at the national (at the expense of the cantons) and cantonal level (at the expense of communes) what Braun (2009) names the “creeping centralization” process that began after the Second World War.

Over time the number of public tasks increased significantly and led to interwoven policy structures that became difficult to manage as they resulted in an entanglement of responsibilities and competences (*Politikverflechtung*). The implementation of public policies was non-transparent, non-institutionalized, led to irresponsible expenditure behaviour and problems of spillovers (Braun, 2009 and Fleiner, 2002). In the early 70s, because the federal government had gained more and more powers - codetermination rights in many tasks areas, which were originally attributed to the cantons - it began to increase its debt while the cantons stabilized theirs, even though it remained high⁴. The Confederation progressively transferred its financial resources to the cantons responsible for the implementation of tasks. The 80s mark the beginning of an economic crisis, which led the federal authorities to take austerity measures⁵ and to transfer its financial obligations to the cantons

³ Art. 3 of the 1999 Constitution. The principle of subsidiarity aims at determining the level of intervention that is most relevant in the areas of competences shared between the Central State and the Member States.

⁴ Federal Council. 1981. Popular turnout on the financial Regime. Bern. 709-710

⁵ Federal Council. 1980. Saving program. Bern

(Frey *and al.*, 2005). The cantons have become overwhelmed by the implementation and the execution of tasks and unable to finance and perform their own tasks. “It was increasingly argued that, when regulation, financing and implementation of a policy do not coincide, the system becomes sub-optimal” (Ladner, 2015). In the early 70s, the media started describing the difficulties, the delays or even the non-execution of tasks by the cantons as a “crisis of implementation” (*Vollzugskrise*). The concept of executive federalism⁶ was strongly condemned and began to take on a negative connotation (Wälti, 2001). This system created an interpenetration of the three institutional levels underlined by a tangle of responsibilities, which was a challenge that federalism was not prepared for (Dafflon, 2004). Even if the discussions started in the 60s, the NFA reform officially began in 1991 (Wettstein, 2002). It entailed a complete overhaul of re-assignment of competences and fiscal equalization between Confederation and cantons (vertical dimension) as well as among the cantons (horizontal dimension) (Vatter and Wälti, 2003).

The article’s main purpose is to provide a qualitative analysis on the impact of these conventions-programs on the vertical cooperation, and an examination of the principles of the reform. This contribution provides thus several research dimensions:

1. Creating an equal partnership in the vertical collaboration. The new balance thus would work as a new form of co-governance.
2. Distributing roles: the strategic management is in charge of the Confederation and the operational responsibility is assigned to the cantons.
3. Restoring the autonomy to the cantons by disentangling public tasks.
4. Reducing costs associated with public management.
5. Creating a new form of multi-level governance.

After a brief description of the conventions-programs, I will determine to what extent the conventions-programs meet these objectives. I also would like to observe whether they allow for new form of multi-level governance which could legitimate the decisions process by including private or public actors.

From a methodological point of view, I will carry out a qualitative study of the reform of the allocation of tasks, based on a collection of data from different sources, such as interviews with heads of cantonal offices, official documents of the Confederation and peer-reviewed articles. The paper starts with some theoretical considerations about the principles of the reform that allows a better understanding of the *general* effects of the reform and the *specific* effects of the conventions-programs on the institutional cooperation. It goes through important theories such as New Public Management (NPM) and Principal-agent theories. Then, the convention-programs’ contents’, procedure and applicability in the field will be described. The following sections present the methodology, the data, and the results. It ends with some concluding remarks and an outlook.

3. Theoretical considerations

There was a broad consensus among the political elites on the fact that the allocation of tasks was the solution to significantly change the relationship between the Confederation and the cantons.

⁶The term of executive federalism is considered by political scientists as a component of the cooperative federalism, but it takes a negative connotation since it leaves less power to the cantons. In such case, the cantons implement public policies without any form of decision.

Without declaring that the reform radically transformed Swiss Federalism, it has however strongly consolidated the vertical cooperation by giving jurisdictional and political frameworks (Fivaz & Ladner, 2005: 1-2). Drawing on the federal reports and the literature, many principles of the NPM have a strong influence on this Swiss reform by giving the direction to take and shaping its values (Ladner, 2011:21; Rieder & Lehmann, 2002:26). Braun accentuates on the “framework program” written and published by the Conference of Cantonal Finance Ministers (*Konferenz der Finanzdirektoren*; CFM) in 1991 that was full of NPM thinking: clear objectives, purposeful steering, and transparency of procedure. According to him, it even became impossible to reform the organization of the state, without legitimizing it by a reference to the notion of effectiveness or use of basic ideas from NPM philosophy. The conceptual background will thus be centred on the NPM principles and especially the one referring to a stronger vertical cooperation (or co-governance). To bring a new approach of this reform, the multi-level governance will be also considered. In order to make a set of assumptions and sketch several important questions, I will develop the new institutional economics and multi-level governance theories.

In the 80s, NPM reform introduced methods and management tools directly from private and multinational companies (Pollitt & Bouckaert, 2004). The objectives were greater efficiency, productivity and quality of services, better use of public resources and a reduction of hierarchy (Giauque & Emery, 2008). With the introduction of performance contracts, global budgeting, and product budgets, internal processes were supposed to change fundamentally with *output* and *outcome* oriented steering based on indicators, *controlling* and performance management (Ladner, 2016:2). In Switzerland, the ideas of NPM entered the reform agenda relatively late (Ladner, 2016:2). It was only in the 90s that the NPM has been a source of inspiration and had great influence (Emery, 2000). Accordingly, the Confederation has tried to transfer the NPM principles to vertical collaboration, whereas they were initially implemented in horizontal cooperation (regions, cantons, private and public actors). The Swiss government had precisely the ambition to create a partnership to promote a cooperation based on non-hierarchical relationships, to give a strategic role to the Confederation and operational responsibility to the cantons, to give more accountability and flexibility to the cantons, to improve the performance of the public management and to strengthen exchanges between the federal and cantonal levels through a long negotiation process. The use of global budgets coming from the Confederation and giving to the cantons would allow them to have an operational freedom to fulfil the tasks agreed upon. Beyond these principles, the NPM also promoted the use of public contracts in public administration (Athias, 2013).

The utility of public contracts can be deeper explained by using the terminology of the **Principal-agent theory**. One set of arguments finds its roots on the work of Waterman and Meier (1998) and is based on the development of political relations between a principal (Confederation) and an agent (cantons). Both usually assumed to be motivated by self-interest. The problem is that self-interest often makes the agent reluctant to share the information with the principal (Bergen *and al.* 1992). To encourage an agent (cantons) to act in the interest of the principal (the Confederation), a compensation system, based on a model contract, is needed (Jensen *and al.*, 1976). Therefore Confederations make a contract with the cantons “which perfectly controls the agent” (Laffont and Martimot, 2001). In light of the conventions-programs, cantons are involved in the negotiations and they often know more than the Confederation about a public policy, which allows them to ask for more flexibility and freedom of action in its implementation. To maintain “control” and prevent cantons from acting for their own benefit, the Confederation must impose clear objectives in the


contracts (Miller, 2005). In addition, the federal government should introduce a monitoring system, a benefit contract as well as appropriate incentives, such as bonuses or penalties to reduce the risks, even if it creates "transaction costs" (Williamson, 1975). Greve assumes that contracting represents a break with the hierarchical mode of governance. In the conventions-programs context, an efficient contract is not the one that brings about the best possible outcome for the principal given the constraints imposed but the one that maximizes the joint utility of both principal and agent. A third assumption can be articulated by considering the conventions-programs as an instrument creating an equal negotiation between the Confederation and the cantons.

The **Multi-level governance theory** has also relevance for this study. With the increase of cooperation and participation in politics or public administration these last years, the multi-level governance theory has gained importance (Bach and Flinder, 2004). It quickly became a catchall concept that indicated phenomena taking place at three different analytical levels as stated by Piattoni in 2010: that of political mobilization (politics), that of policy-making arrangements (policy) and that of state structures (polity). It also evokes the idea of increasingly complex arrangements and network structures for arriving at authoritative decisions (Piattoni, 2010). As a matter-of-fact, it prefers negotiation and cooperation instead of coercion, command and control (Kersbergen and Waarden, 2004). Former experiences have shown that development of political programs and their implementation are no longer in the hands of the sovereign state only. Although conventions-programs are designed to handle common tasks between the Confederation and the cantons, their negotiation involves always other actors. In practice, I observe that cantons need to consult both public and private parties before and during the negotiation process. This broad consultation brings a new perspective to the vertical cooperation. In accordance with Peters and Jon (1998) and Hooghe and Marks (2001), multi-level governance adds to traditional state functions new elements such as civil society, multilevel politics, network systems and bargaining. It begins when the relationship is not hierarchical and when it involves the three main institutional levels: "negotiated, non-hierarchical exchanges between institutions at the transnational, national, regional and local levels" (Peters and Jon, 1998). This theory thus invites normative reflection on the conditions under which binding decisions gain widespread acceptance and bestow legitimacy. Hooghe and Marks (2001) argue that public management is more effective if it is carried out by multilevel relationships, which could limit federal centralization and reinforces the role of each actor. In accordance with the works of Benz (2010), a last hypothesis can be framed by assuming that this multi-level governance in the conventions-programs' structures allow for more effective and legitimate policy-making.

4. The conventions-programs as new public instruments

The conventions-programs are valid for periods of 4 years (2008-11, 2012-15 and 2016-19) and the model is the same for each canton. These conventions-programs are elaborated between the Confederation and the cantons, which negotiate the federal contributions and the package of coordinated and consistent measures for a period of four years. As already mentioned grants are theoretically no longer based on individual projects but on a general budget based on objectives and indicators. At the beginning of the reform only 15 main common tasks were covered by conventions-programs, all gathered in 9 different categories of public policies. As time passed, other public areas have been added through successive changes of laws and ordinances, and are treated by conventions-programs (Mathys, 2015). These public programs are additional tasks, which have been

fulfilled jointly by the Confederation and the cantons. These new public areas are the New Regional Policy (2008-2015), the renovation of buildings program (2010-2020) introduced by the Act on CO2, the introduction of cadastre restricting public right to land (2012-2015) and the specific encouragement of cantonal integration of foreigners (2014-2017). They are not all based on a 4-year period. For instance, the first one is planned for a 6-year period, whereas the renovation of buildings program is calculated on a 10-year period. These programs are sometimes broader, however and include other territorial units such as regions or districts (New Regional Policy). To conclude, twenty conventions-programs are in progress in 2016. Any study or report has tried to provide an overall picture of all the conventions-programs that really exist so far. To fill this gap, I realized a graph that represents all the tasks concerned by the 2004-reform (Graph 1).

Introductory dates	7 Federal tasks	10 Cantonal tasks	29 Common tasks
2008	<ol style="list-style-type: none"> 1. Pensions 2. Invalidity insurance 3. Support for country-wide activities of organisations for the less abled 4. Highways 5. Defence 6. Agricultural consultancy agencies 7. Animal breeding 	<ol style="list-style-type: none"> 1. Support for housing 2. Working and day care facilities for invalids 3. special schools 4. Support for regional and local activities of organisations for the less abled 5. Educational grants up until secondary school 6. Traffic control outside agglomerations 7. Support for educational facilities for social workers 8. Recreation and sport 9. Airfields 10. Improvement of housing conditions in mountain areas 	<ol style="list-style-type: none"> 1. Medicare (individual subsidies for the health care insurance) 2. Additional social benefits 3. Higher education grants 4. Traffic within agglomerations 5. Regional traffic 6. Main roads 7. Noise protection along local and cantonal roads 8. Execution of criminal penalties and measures 9. Official measurements 10. Protection of cultural heritage and conservation of historic monuments 11. Nature and wildlife protection 12. Flood protection 13. Water protection 14. Improvement of agricultural structures 15. Protection of forests, + 16. Forest management + 17. Forest biodiversity 18. Hunting oversight 19. Fishing oversight 20. National parks 21. Defensive works and basic data on dangers 22. Protection of natural habitat of waterfowl and wildlife 23. Protection of natural heritage of UNESCO 24. Development program for mountain regions 25. Agglomeration programs
2008	 <p>Extension of the CPs to other areas</p>		26. Encouragement of the development of regional policy - economic development, (New Regional Policy NPR)
2010			27. Remediation Program for buildings - partial revision of the CO2 Act (2010-2020)
2012			28. Introducing cadastre restricting public right to land (2012-2015)
2014			29. Specific encouragement of the integration of foreigners - (Revision of the cantonal integration programs PIC)

Graph 1: Division of tasks between institutional levels. In bold, areas covered by the conventions-programs. Situation as of 2016: 29 common tasks, and 20 applied by conventions-programs

These conventions-programs are legally based on art. 46 al. 2 of the Constitution of 1999: "The Confederation and the cantons may agree that the cantons perform the implementation of federal law; to this end, they set up programs financially supported by the Confederation". According to article 23 of LSu, the subsidies provided by the convention-programs are not measured by the progress of the work (*input*) but are based on results (*outputs and outcomes*) (Wettstein, 2001).

The idea behind the creation of the conventions-programs was to use them as a blueprint for other tasks. They can thus be applied to other common tasks. The 9 common tasks that are not covered by the conventions-programs are those whose principal responsibility resides clearly with the cantons, for which the initiative for the realisation of the benefits belongs to private owners or to those involving the purely financial provision of services in favour of institutions or individuals (non-negotiable contributions because they have already been settled in federal law) (Federal Finance Administration, 2014). Each convention-program is written in 16 points⁷. Despite the Confederation's willingness to standardize these contracts, norms vary according to the complexity or the particularity of the public domain.

The conventions-programs are given by the Confederation to the cantons and give the first impulsion to the negotiation process. This latter is initiated with a letter sent by the Confederation to the cantons. The cantons have to specify the general lines on the content and financial matters in a contract draft. After a general review of cantonal requests by the federal board, the negotiation may start. During the negotiation process, each party provides interdisciplinary coordination between specialized federal and cantonal divisions. Adjustments should then be made on the positions of each actor, before the formal notification of the agreement to the appropriate federal agency. In the next step, the Confederation and the canton finalize the agreement, and when everything is accepted the newsletter is officially published and the cantons transmit the conventions-programs to municipalities for consultation.

The municipalities cannot officially participate in the negotiations. Third parties have only the right of final consultation, or, exceptionally to be consulted by the main institutional actor during negotiations on projects involving towns and municipalities (particularly in the field of environment). Conversely, a contact with individual municipalities is recommended when a convention-program refers to a single exceptional object on the territory of the municipality in question. In practice, it is very rare that municipalities want to consult the convention-program. It should nevertheless be noted that the conventions-programs involve more strategic objectives, and therefore it will only happen relatively rarely that common interests are particularly affected. After notification or publication, cantons, municipalities or third parties have 30 days to appeal if they want to make adjustments to the convention-program content. If an appeal is accepted, the Confederation must contact the cantons for a second proposal - if necessary, after further negotiations. Finally, after an appeal procedure, the authorized agents – these responsible for the federal office and the cantonal State Councillor - sign the agreement. The convention-program then becomes a contract under public law.

⁷ 1. Preamble 2. Legal bases 3. Contracting parties 4. Contractual territory 5. Validity 6. Objects of the contracts 7. Bases for financing 8. Method of payment of the fixed contribution 9. Administration 10. Obligations of the parties 11. Framework conditions and terms of adaptation 12. Performance of the contract 13. Procedure in case of differences of opinion 14. Miscellaneous 15. Entry into effect of the contract 16. Appendix

5. Research questions, hypothesis and methodology

As mentioned in the introduction, the purpose of this contribution is to determine whether the conventions-programs meet the objectives of the reform, and create a new form of multi-level governance.

As already raised in the introduction and theoretical sections, five hypothesis are examined:

H1: The CPs create an equal partnership between the Confederation and the cantons.

H2: The new system of allocation of tasks allows for clearer distribution of roles: the strategic management is the charge of the Confederation and the operational responsibility is assigned to the cantons.

H3: By using CPs, the cantons have more autonomy than before the reform.

H4: The CPs allow for reducing costs (implementation, studies, evaluation costs).

H5: The CPs create a new form of multi-level governance, which could legitimate their application.

The qualitative study is based on 30 cases studies. 5 different conventions-programs (protection of cultural heritage and conservation of historic monuments, encouragement of the integration of foreigners, economic development, protection against noise and protection of the nature and landscape) were selected, as well as 6 cantons (Vaud; VD, Valais; VS, Geneva; GE, Zurich; ZH, Uri; UR, Bern; BE). Each convention-program was carefully chosen according to their divers' complexities, such as financial deficits, institutional communication weaknesses or delays issues (graph 2). The diversity of the sample will allow me to have a complete figure of the conventions-programs' applications. Likewise, I chose the cantons according to their economic, cultural, size and demographic density differences. Also, VD and GE are in the French-speaking part, ZU and UR represent the German-speaking part and VS and BE are bilingual.

	Nature	Noise	Monuments	Integration	Regional politics
Launching and duration	2008-11 2012-15	2008-15 2008-18	2008-11 2012-15	2014-17	2008-15
<i>Degree of complexity and causes</i>	<i>Weak communication</i>	<i>Strong deadlines</i>	<i>Strong financing</i>	To be confirmed	<i>Strong Coordination and cooperation</i>
Related to which federal office?	Environment (OFEV)	Environment (OFEV)	Culture (OFC)	Migration (SEM)	Economy (SECO)

Graph 2: differences of difficulties between conventions-programmes

Firstly, I submitted a questionnaire in French or German to the cantonal representatives in charge of the conventions-programs selected. Five questions were selected to analyse the hypothesis. They are the following: **a.** Do you think that there is a vertical partnership? **b.** Is the distribution of strategic / operational roles respected? **c.** Do you have more autonomy with the conventions-programs? **d.** Do the CPs allow for reducing costs? **e.** Do they CPs create a new form of multi-level governance? This paper presents results from 30 interviews given in cantonal offices from June 2014 to June 2016. One-quarter of the people interviewed are women, one-third are between 45 and 54 years old, and three-quarter are directors, administrative employees or heads of department.

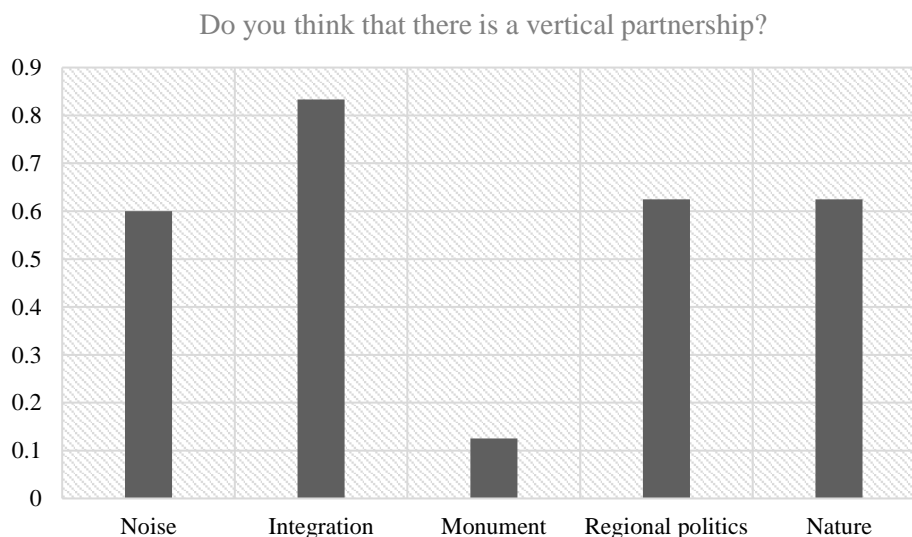
6. Discussion

Many interesting points were observed through the questionnaire 'responses.

In general, the results obtained from the questionnaires have to be apprehended as the *perception* of the cantonal representatives as we asked for cantonal opinions or feelings. First, we look at the question in which we ask the cantons whether they are part of an equal partnership with the Confederation.

H1: The CPs create an equal partnership between the Confederation and the cantons.

As we note in the graph, the cantonal employees in charge of the Heritage and monuments' protection don't feel any kind of partnership with the Confederation (graph 3). This can be explained by a strong autonomy left to the cantons. Apparently, the cantons have more strategic decisions than the Confederation when it comes to the territorial priorities. According to some cantons, the federal level could have more implication since it rarely comes to visit the canton to see what is going on. It appears that the problem is the same as the convention-program concerning regional politics. Again, the cantons regret that the Confederation doesn't take into account all their decisions for the elaboration of the convention-program. This leads to a lack of communication and cooperation. However, the public policy concerning the integration is apparently the most collaborative. The reason could be explained by the fact that this convention-program is recent (launched the 1st of January 2014). As a consequence, the instrument is better adopted and introduced in the cantonal procedures. Not to mention the specific case of the monuments 'protection, we can conclude by assuming that there is a well-established partnership. For all cantonal representatives however, this partnership is not fully equal. The federal influence is still consequent, but that raises another questions.

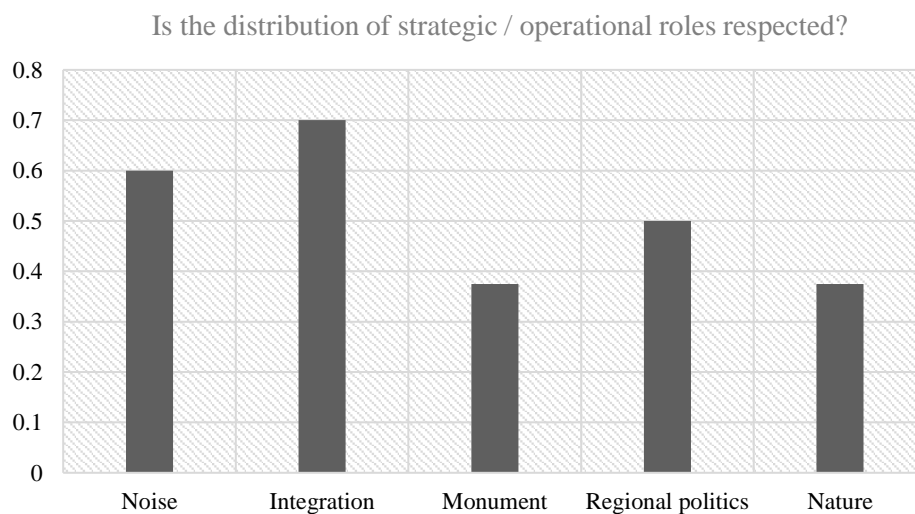


Graph 3: question related to the existence of a partnership between the Confederation and the cantons. [0]: No [0.25]: rarely perceived [0.5]: sometimes [0.75] often perceived; [1] Yes

Secondly, we look at the question in which we ask the cantons whether they think that the distribution of roles is respected. According to the reform requirements, the strategic management is attributed to the Confederation, whereas the cantons are in charge of the operational organization.

H2: The new system of allocation of tasks allows for clearer distribution of roles.

Analysis of the responses reveals significant disparities among cantons. Whereas the cantons are rather satisfied for the noise protection and the integration (> 0.5) the three other domains are less optimistic. Apparently the distribution of role for the Nature and Monuments protection is still problematic (<0.5). We find the regional politics in-between, with half of the representatives agreeing and the other half disagreeing (= 0.5). In one hand, we are not surprised by the results of the monuments ‘protection since the cantons are very autonomous in deciding strategy and operations. The distribution of roles is thus not well-defined because the system works on ad hoc requests from private or public actors. As a consequence, it is very volatile and uncertain, so the cantonal supervision has to be strong and clear. The federal office is thus a bit far too carefully observe what is going on the cantonal territory, and investigate wrongdoing or dysfunctions. In another hand, we are more astonished how high the negative results are for the Nature protection. Indeed, the federal office of the environment has published a general guideline for the cantons, specifying the objectives to reach, the difficulties to be aware of, and the timeline to follow. It also has a strong controlling system, with meetings, mails exchanges, and a stable planning. In appearance, this federal office thus seems engaged into the strategic management. That is the reason why it is surprising to observe that there are gaps between reality and theory.



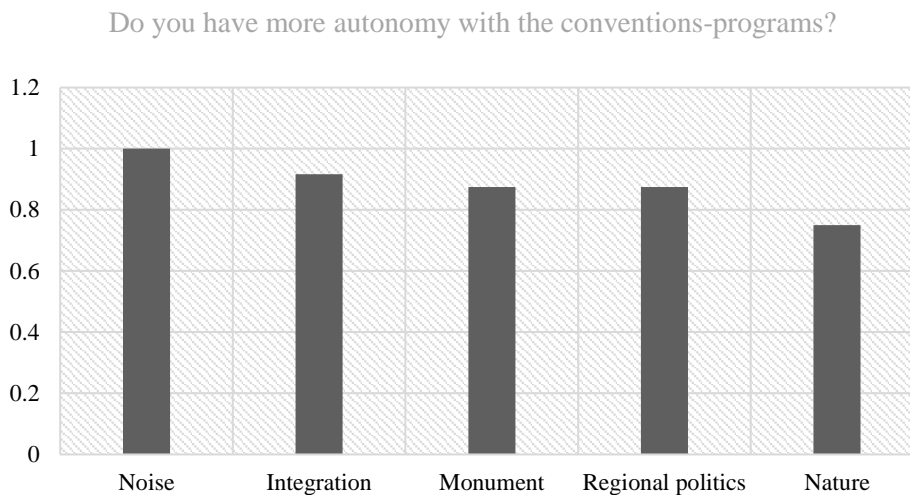
Graph 4: question related to the respect of the roles distribution between cantons and Confederation. [0]: No [0.25]: rarely perceived [0.5]: sometimes [0.75] often perceived; [1] Yes

Thirdly, we look at the question in which we ask the cantons whether they have more autonomy with the new contractual system.

H3: By using CPs, the cantons have more autonomy than before the reform.

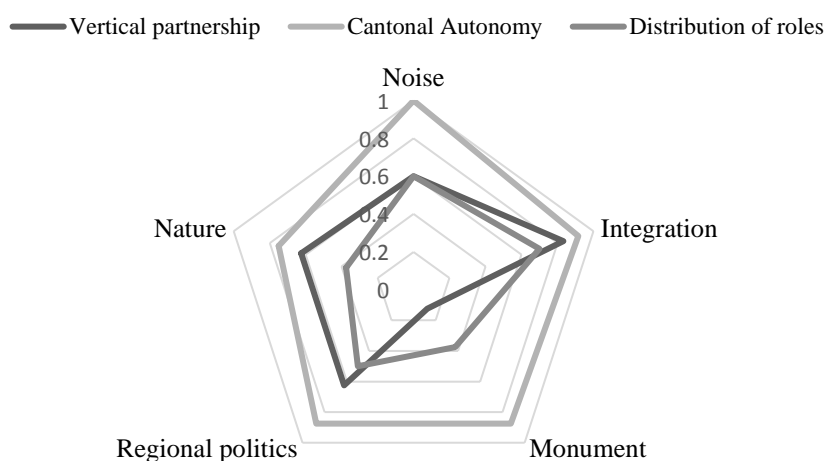
Graph 5 shows that in every public domain, the cantonal representatives have responded positively to the question concerning the autonomy. They all think that the conventions-programs allow them

having more decision power. The meetings with the federal office are the perfect opportunities to expose their needs and objectives. We can however point out the domain of Nature and landscape, which shows a lower average than the others. This observation is not a surprise as many cantonal representatives were declaring that they cannot decide on the objectives, nor the priorities when it comes to line up the activities.



Graph 5: question related to the cantonal autonomy. [0]: No [0.25]: rarely perceived [0.5]: sometimes [0.75] often perceived; [1] Yes

Graph 6 includes the responses related to vertical partnership, cantonal autonomy, and distribution of roles. The aim is to identify in which public domain these principles are not reached or applied. Two domains remain problematic today: nature and monuments protection. Even if the question about cantonal autonomy doesn't seem to be a major problem for all, it seems to be less appreciated in the protection of nature. When it comes to the existence of a partnership, there are great differences. Cantonal employees in charge of the conventions-programs for the monuments protection don't feel any partnership. That is lightly better for the noise and nature protection and regional politics, but the results are not so clear. The most accomplished public domains using conventions-programs is the one concerning the integration, which was the last one to adopt this new contractual system. This broad and complex public policy also involves multiple actors from public and private sectors. As a consequence, clarifying the objectives and measures in an initial contract is essential. Discussion with cantons suggest that the issue of integration is a priority, and assigning into a strong organizational structure.



Graph 6: spider graph with the averages of each one of the three questions.
 [0]: No [0.25]: rarely perceived [0.5]: sometimes [0.75] often perceived; [1] Yes

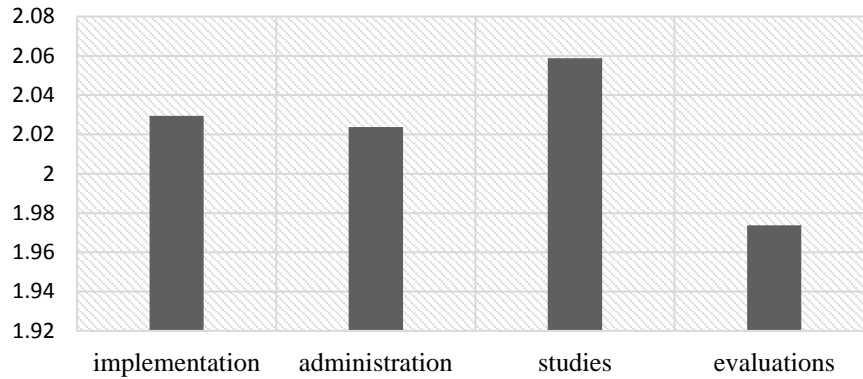
Fourthly, we look at the question in which we ask the cantons whether the application of conventions-programs allows them to spare on certain costs, such as evaluation, implementation, studies or administrative costs.

H4: The CPs allow for reducing costs.

Graph 7 illustrates that the conventions-programs can save on implementation, administration and studies costs. When it comes to evaluation costs however, there are no differences than before the application of the CPs. Over half of the cantonal authorities interviewed think that conventions-programs allow for better financial and political organizations, even if the costs remain high for some charges. They are convinced that these contracts introduced clearer regulations and facilitated the implementation of public policies by giving more time and powers to the cantons.

Also shown of the graph are the administration costs, which still are heavy however. Indeed, the conventions-programs create more administrative tasks by requiring preparation of the annual reports, gathering of the results, generation of subsequent reports, coordination of meetings between other cantons, and punctual compliance with federal controls. Likewise, the evaluation costs increased because the cantons must submit outcomes, and measure effects and consequences in a timely manner. This situation reflects the growing importance of performance assessment in the public sector. The same objectives are assigned to the New Public management ‘paradigm specifically the reduction of costs or administrative tasks.

Which costs are reduced with the CPs ?



Graph 7: question related to the costs.

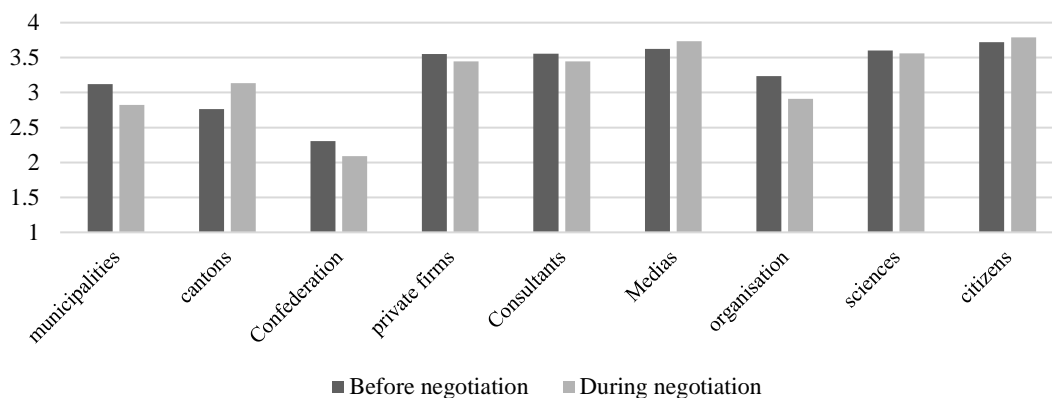
Fifthly, we look at the question in which we ask the cantons whether they collaborate with other actors than only the Confederation.

H5: A new form of multi-level governance can legitimate the application of CPs.

Graph 8 reveals that the municipalities, the Confederation, and the organizations are generally more consulted as well as the other cantons. The graph 8 also shows that contacts with sciences, Medias, consultants, private firms are quite low. We also can note that there is no big difference between the contacts before and during the negotiation processes. However, the quite high participation of the municipalities lets us think that the multi-level governance concept is completely revealed. This approach doesn't only refers to the implication of private and public actors, but also to the participation of the three institutional levels. When it comes to the participation of the municipalities, we observe that they are involved as much as the other institutional actors, especially during the negotiations. It is thus possible after all to conclude that there is a well-established multi-level governance.

The cooperation with external actors is not so high, but some cantons declared that the opportunity of a broad cooperation allows for better implementation of public policies through the conventions-programs. According to some of them, this new decision process allows for introducing a transparent framework that legitimate the new system.

What are your contacts with these actors before and during negotiations?



Graph 8: question related to the contact before and during negotiation between the cantons and other actors. [1]: strong; [4] weak

To conclude, one of the main problem today is apparently the federal interference in cantonal jurisdictions and affairs. Results clearly showed that there is a tendency for a partnership between the Confederation and the cantons but it remains unequal. Of special interest is the excessive federal interference in defining the contract objectives, which reduce the flexibility of cantons. This problem of inequality may has to do with a distribution of roles and responsibilities that remains fuzzy or at a lesser extent unclear. Sometimes, the canton has the impression to be in charge of both strategic and operational roles, and feels very autonomous. Such autonomy is really looked-for by the canton, but has to be support by federal laws and guidelines. We find here an interesting paradox between the cantons' wills for more independence and their perceived dependence for the federal directives. But is it so surprising considering Articles 3 and 46 of the Federal Constitution? They state that the cantons shall exercise all rights that are not vested in the Confederation and that these implementation must be in compliance with the federal framework of laws and guidelines. In brief, even if the cantons are very independent in the implementation of federal legislation, they still need to be led by the Confederation in practice. Nonetheless, we observed that the autonomy is not so high for the Nature protection.

Results also showed that the evaluation costs are as high as before the reform. If the reason is not coming from a duplication of cantonal and federal evaluations – explained by a lack of communication - it could be caused by an increase of federal requirements to reach the conventions-programs objectives.

Results also indicates that the conventions-programs process brings a new form of governance by including most of the time associations, Medias, consultants, sciences, private firms and citizens. Although the participation of the municipalities remains low compared to the other actors, is does exist. Consequently, declaring that a multi-level governance doesn't occur is not exactly right. In fact, the municipalities actually cannot participate in the negotiations because these must take place between the Confederation and the cantons only. They only have the right of final consultation, or, exceptionally to be consulted during negotiations by the canton on projects that have influence in them. Moreover, in practice, it is very rare that municipalities really want to consult the convention-program. After notification or publication, cantons, municipalities or third parties have 30 days to appeal if they want to make adjustments to the convention-program content.

7. Conclusion and perspectives

The new system of the allocation of tasks means a profound organizational change in philosophy and practice. The competence distribution is now designed along the lines of New Public management and Principal-agent theory (Braun, 2009). That model has been extending to the reform of the allocation of tasks to reinforce the collaboration between the Confederation and the cantons. Based on the introduction of public law contracts, the actors 'reform wanted to create a partnership without any form of hierarchy through which both the Confederation and the cantons could take part in the decision-making process. This attempt was risky because the principles of the NPM called for horizontal cooperation and not vertical. Nevertheless, we discovered that same NPM problems occur with the NFA reform especially when it comes to administrative tasks and indicators 'definition. Because the new procedure involves other actors, the multilevel government dimension

has gained in importance. The conventions-programs are supposed to allow for better understanding and public management between the Confederation and the cantons.

This paper has given a brief overview of the conventions-programs, with particular emphasis in the expected and experienced effectiveness. The initial question was to what extent the new contractual system's actual results are consistent with the outcomes expected? In this regard, we formulated five hypothesis, each corresponding to the principles lined-up by the reformers: equal partnership, cantonal autonomy, distribution of roles, and reducing of costs. By conducting cantonal interviews, we could confirmed or infirmed the hypothesis. Notice that we actually obtained the *observed* outcomes in conducting the assessment. In other words, there is always a gap between the expected outcomes and the observed outcomes. Consequently, we should rather formulated our research question as follow: To what extent are the observed outcomes consistent with the intended outcomes?

This study has taken a general look at the impacts of the conventions-programs on the vertical collaboration, focusing on the application of the NPM principles to assess the new system introduced by the reform. Despite the lack of empirical research and results made on the field, there are astonishingly wide reports among cantonal and federal offices about the conventions-programs' application. This analysis focused on these reports and brought new empirical examples. Five assumptions were thus initially formulated to lead to a conclusion: **H1**. They create an equal partnership between the Confederation and the cantons. **H2**. The new contractual system allows a clear distribution of roles. **H3**. Conventions-programs give more autonomy to the cantons. **H4**. Conventions-programs allow to reduce costs, **H5**. The multi-level governance structures in the conventions-programs processes allow for more effective and legitimate policy-making. This investigation has found some evidences to support the idea that the conventions-programs are improving the vertical cooperation. However, while the conventions-programs introduced a cooperative federalism and while they are gaining quality over time, they need improvements because the NPM principles are not all strictly applied or respected and many problems are still to be solved.

The study has allowed to raise major issues to the application of conventions-programs. The first general observation that could be made from the literature and the interviews is that vertical cooperation is not as equal and non-hierarchical as desired. Decisions come first from the Confederation, the one who gives the money, which corresponds to the principle of "the one who pays is the one who takes control". The distribution of federal subsidies to all cantons is made according to a limited budget. Consequently, it has the final decision and annihilates the concept of a negotiation.

The second observation is that the assignment of decision-making and operational roles seems unrealistic. In the light of the reform, where there are concurrent responsibilities, strategy is meant to be determined on the higher level, whereas operational freedom should be granted to the lower ones. This principle is not respected. Logically, the cantons cannot have an independent operational role when the Confederation is dictating the strategic decisions. As a result, whatever is declared about vertical cooperation, there always has been and still is a hierarchical relationship.

The third observation is about an emerging multi-level governance with the conventions-programs. Most of the cantons are very satisfied with this innovative decision-making process. The participation of other actors increased but not for all observed public domains (for instance; monuments protection). Nevertheless, the reform allowed for imposing a new federal framework of guidelines, which clarify the whole system.

NPM principles have been broadly accepted and used by the cantons but they also have been opened to the same criticisms as that of NPM. As mentioned many times, these criticisms concern the excessive control of public action. Too much control stifles the actors and move in the opposite direction by reducing cantonal flexibility. Moreover, more control automatically brings more administrative requirements. Instead of avoiding duplications and bureaucracy, the NPM principles actually add more work.

Although it still has deep dysfunctions, the search for new energy and successful solutions is encouraging mutual understanding. There has been a deep change in public management, which has narrowed an analysis of the Swiss federal system. The reform represents a “leap forward”: even if the requirements of an equal partnership between the different levels of government are not fully met, the reform is a logical attempt at change. To sum up, the reform of the allocation of tasks between the Confederation and the cantons has not only helped to establish a new balance of power, but has redefined institutional relationship. Vertical cooperation now corresponds better to a cooperative federalism. In practice, the extension of the use of conventions-programs to other public programs shows that it’s a good “blueprint” or “implementation model”, even if it is not adapted to all common tasks. This demonstrates the importance of this new instrument in vertical cooperation and the implementation of public policies.

Further and more thorough research is doubtless to determine the real influence of the conventions-programs on vertical cooperation. Nevertheless, it is recognized today that conventions-programs are better and better accepted and are gaining in quality over time. The next steps will be to add interviews on national level with federal authorities. It is important to have both sizes of a negotiation, both from the Confederation and the cantons. Then, the results will be report on the cs/QCA software (the so-called Tosmana 1.3.2.0 software) to find which conditions are necessary or sufficient to have performing conventions-programs. This Qualitative Comparative Analysis Method (QCA) is commonly used to generalize the results in a macro perspective by making a comparison with a few qualitative cases. It integrates key strengths of both qualitative (case-oriented) and quantitative (variable-oriented) approaches that will bring a strong *plue-value* to this research.

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