

The institutionalization of the State Guarantee Model in Danish Infrastructure Governance: From a single project to a new way of public governing.

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Background and purpose

The Danish transport infrastructure is most often described as publically owned and tax financed with free accessibility (Danish Transport Infrastructure Commission, 2008). This paper presents the case of the institutionalization of state guarantee model (SGM) in Danish transport infrastructure governance. The case shows how market mechanisms of user charges and state guaranteed loans as an alternative mean of financing challenge this perception and the public governance implications of that. The SGM model was initially developed for a mega bridge project in the 1980's and has since then been used in more transport infrastructure projects (Christensen and Greve, 2018). The model is based on project-oriented state owned enterprise (SOE) that is responsible for the construction of a certain infrastructure project which is financed via market loans that are payed back via user charges (Holm and Horstmann Nielsen, 2018). The last year, the SGM has been introduced as the underlying principle of more political mega infrastructure projects e.g. Kattegatforbindelsen, Havnetunnelen as a part of Lynetteholmen and recently SGM-based activities are an important part of financing in the Government's new Infrastructure Plan 2030 (Danish Government, 2019). The paper's findings are therefore highly relevant for understanding and discussing Danish transport infrastructure governance of today.

Methods and analysis

The paper maps the institutionalization of this model into Danish infrastructure as the model develops from a single project to a new institutionalized way of public governing layered on the old institutional public infrastructure governance. The analysis is based on a within qualitative comparative case study of seven transport infrastructure projects in Denmark of which all are based on the SGM model (Georg and Bennett, 2005). The cases are analyzed via an analytical framework for infrastructure governance and the analysis of each case is conducted using a historical institutional perspective of path dependency (Pierson, 2004) and gradual change (Streeck and Thelen, 2005, Mahoney and Thelen, 2010) as methodology to show how and why the analytical dimensions of the SGM model and infrastructure governance evolve over time. This point to the public governance implications that occur over time. The case analysis for each project is based on document analysis of legal documents and public policies combined with

interviews with public managers from the responsible public agencies and managers from the SOEs responsible for each of the seven projects.

Results

The analysis sheds light on how and why the model is institutionalized and the public governance implications that arise with the institutionalization of a public led, but market-based model into the existing publically governed infrastructure network. The paper contributes to the literature on hybridity in the marketization of public services (Denis et al., 2015, Johanson and Vakkuri, 2018, Polzer et al., 2016) with a detailed analysis of the mechanism between old and new institutional repertoire over a longer period. Next to that, the paper contributes to the literature on contemporary SOEs with a case study on how new SOEs evolve in a time of increasingly marketization (Bernier, 2015) which is relevant in a Danish transport context where SOEs are a widespread governance practice (Christensen, 2016).

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