

Municipal Size and Democracy: A Critical Analysis of the Argument of Proximity Based on the Case of Denmark

Christian Albrekt Larsen*

The Nordic welfare states are based on a unique system of highly decentralized municipalities. However, in Denmark a discussion about merging municipalities has emerged. The discussion has kept within the framework of the classic dichotomy between capacity and proximity, or been limited to considerations of effectiveness versus democracy. The assumptions behind both arguments can be nuanced and problematized, and a new study, based on an extensive set of data, analyses the basic assumptions behind the argument of proximity. In accordance with earlier studies, it finds that participation is higher in small municipalities. However, municipal size does not affect citizens' interest in and knowledge of local politics. Nor does it affect citizens' perception of local politicians and their trust in local political decisions. This is surprising, given previous research in this area.

Introduction

The Scandinavian welfare states are generous in terms of universal social benefits and have a large service production, which is very well analysed in international welfare state research (e.g. Esping Andersen 1990). It is less known that the Scandinavian welfare state to a large extent is based on decentralized municipalities. However, on the spectrum of average size of municipalities among European countries Scandinavia appears somewhere in the middle. At one end we find the extremely large municipalities in Britain and Ireland (average size, respectively, 120,000 and 103,000 citizens) and at the other end we find countries like France, Spain and Italy (average municipality size, respectively, 1,600, 4,800 and 7,200 citizens). The average municipality size in Denmark, Norway, Finland and Sweden is, respectively, 18,800, 9,000, 10,900 and 30,200 citizens (Mouritzen 1999). Well

*Christian Albrekt Larsen, Centre for Comparative Welfare State Studies, Department of Economics, Politics and Public Administration, Aalborg University, Fibigerstræde 1, 9220 Aalborg, Denmark. E-mail: albrekt@politikanalyse.dk

over 60 percent of public-sector consumption in all the Nordic countries takes place at municipality level. We could change the term 'Nordic welfare state' to 'Nordic welfare municipality'. In the Danish case the local reform in the early 1970s was a landmark in the process of decentralization. The local reform contained four large reforms that actually reduced the number of municipalities to 275 but at the same time transferred a lot of tasks to the local level and gave local government more autonomy (Albæk et al. 1996). Although modernization programmes in the 1980s and 1990s introduced new steering tools and devolved certain competences to the institutional level, the basic structures that resulted from the local reform in the early 1970s have not been altered. Thus, like the other Scandinavian countries, Denmark has remained highly decentralized to the present day.

However, in Denmark discussions about new local reform and about merging municipalities have emerged with renewed strength in recent years. The most radical proposals would reduce the number of municipalities from the current 275 to 100; the more moderate proposals would merge the smallest 40–50 municipalities. Discussion among the municipalities, the National Association of Local Authorities and the Ministry of the Interior is taking place within the framework of the classic dichotomy between the principles of proximity and capacity (Dahl & Tufte 1973). Advocates of municipal mergers claim that small municipalities cannot live up to modern demands of task performance. The debate draws analogies to the discussion about capacity that took place prior to the local reform in the 1970s, for example increased cooperation across municipal borders. It is also pointed out that the state in some cases has removed tasks from the municipalities because the municipalities cannot find the necessary expertise to handle the tasks. Tax administration for private companies and the Municipal Food Control Unit are the two examples. The solution is therefore to increase the capacity of the municipalities by reducing the number of municipalities. Opponents find municipal mergers neither necessary nor desirable. Some also question the economics of scale in municipal mergers, but the basis of the argument of proximity is that local democracy will suffer in larger units, an argument that is backed by Danish researchers in this field (Buch Jensen 1999; Mouritzen 1999). Broadly speaking, the discussion has become a question of effectiveness versus democracy.

However, it is possible to add more nuances to the assumption that larger municipalities lead to better performance and less democracy. This article examines the validity of the argument of proximity. Does democracy really have such poor conditions in large municipalities, or does the concern express a romantic myth that can misguide and be used and abused prior to political negotiations about a new local reform?

Proximity, Capacity and Democracy

It is important to emphasize that the relation between proximity and capacity is more a both–and than an either–or relation. This was recognized in the city-state democracy of ancient Greece. According to Aristotle, the city-states should be large enough to be self-sufficient, yet small enough that everybody knew each other and could gather for speeches at public meetings (Dahl & Tufte 1973, 5). Self-sufficiency was crucial in order to prevent authorities outside the city-state from imposing anything on the city-state, while public gatherings ensured direct participation in decision-making processes. In other words, proximity and autonomous task performance were seen as preconditions for democracy. The hard part is to determine the precise weighting between the two preconditions. This was theorized in Dahl and Tufte's classic study, *Size and Democracy*, from 1973, which marked the start of modern research in this area. The point of the study was that, due to a trade-off between proximity and capacity, it is impossible to determine one optimal size for democracy (Dahl & Tufte 1973, 137–45). Or, in Dahl and Tufte's terminology, between 'citizen effectiveness' and 'system capacity'. The recognition is central to the current discussion about a new local reform in Denmark and anywhere else. Perhaps less proximity will be counterbalanced by greater municipal autonomy, which would not weaken local democracy overall.

Even in a narrow democracy perspective, a weighting between proximity and capacity is necessary according to conceptions of good democracy. The problem is that there are countless normative conceptions of democracy based on completely different conceptions of the function of democracy. For the sake of simplicity, I will apply a rough distinction between democratic elitism, pluralism and participatory democracy. Democratic elitism sees democracy as a method to control the sitting elite, an elite that is both necessary and desirable in a modern democracy. This control function is practised by voting, while other public interference is seen as an obstacle to effective management (Held 1996, 180). In the liberal, pluralistic understanding, democracy is primarily about aggregating the various interests in society (March & Olsen 1989, 118). Therefore, equal and free access to influence is crucial, and elected politicians are seen as representatives of interests. Such an aggregation of interests makes public participation desirable, but a group of passive citizens is not seen as any great problem. Their passivity might even be a sign that their interests are well represented (Held 1996, 204). In contrast, lack of public participation is seen as very problematic in a participatory democracy. Here, participation is the very key to starting the integrative processes, the primary functions of democracy (March & Olsen 1989, 181), and an open and rational debate between citizens and elected politicians is the basis of a good democracy.

These conceptions of democracy are primarily theorized in relation to the national democracy, but can also be transferred to municipalities. Whether it is the local politicians' task to make effective decisions about allocation of resources, represent their constituents' interests or participate in a continuing local debate about the common good is thus the subject of ongoing debate, and the answer will decisively affect the view of whether municipal mergers will weaken the old and strong local democracy in the Nordic countries. For democratic elitism, less proximity will not be a major problem, rather the contrary. Control by voting will continue to be an option and, owing to low interference by the constituency, the local political elite will be better able to make the right decisions. A pluralistic point of view will focus on whether interests are poorly aggregated in large municipalities. It is a basic assumption behind the argument of proximity that that is the case. The argument is that, all things being equal, a larger and less homogeneous population in large municipalities will make it more difficult to represent everybody's interests. In comparison, it is easier for small municipalities to adapt to the citizens' wishes and needs (Mouritzen 1991, 491). For a participatory democracy, proximity is essential. It is exactly through participation in small, local democracies that the population becomes responsible, informed and empowered democratic citizens. The conception is that smaller democracies generate positive circles where higher participation leads to greater interest and knowledge, which again lead to higher participation (Pateman 1970; Jamil 1991). Participatory democrats in particular will thus initially be very sceptical towards municipal mergers. We will examine the validity of the assumptions behind the argument of proximity.

Municipal Size and Study Design

Since municipal mergers have not actually been implemented yet, we cannot measure, in an absolute sense, the negative effects. At the very least, we would need data from before and after the local reform of the 1970s. The obvious alternative is to address the issue by examining differences between large and small municipalities in the existing municipal structure. However, this strategy requires that a number of background factors are kept constant. First, it is crucial to distinguish between effect of size and effect of urbanization. The demographic composition in large municipalities differs, for example, in terms of age, education and political persuasion. This is hardly an effect of the size of the municipality; it is rather an urban effect, since the local reform in the 1970s deliberately established large municipalities around the large cities. This is important in relation to the current discussion. Municipal mergers would not create larger cities, but would simply increase the population in the municipalities. For example, a merger of Sindal and

Skagen municipalities in northern Jutland with 10,000 and 13,000 inhabitants, respectively, would not change the urban area. In other words, urban characteristics, such as large numbers of students and white-collar workers, greater political polarization, larger numbers of tenants, etc., would not materialize. This simple fact is not always included in interpretations of simple bivariate correlations between municipal size and democracy.

Previous Danish research in this area builds exclusively on survey material in which the correlations are based on, for example, 2,000 citizens from the entire country (Mouritzen, 1991; Kommunedata, 1995). This means very few respondents from each municipality, which limits analysis and control options. Now, an extensive set of data, gathered by Aalborg University and Kommunedata, enables us to work with so-called aggregated data analyses. This design works directly with the objects of analysis, i.e. the municipalities. The data stem from citizen surveys carried out from 1994 to 1997 in 38 municipalities. Each survey comprises approximately 1,300 to 1,400 respondents (with a general response rate well above 60 percent), which gives data representing a total of 50,765 respondents. The present analysis is based on one of the elements in the 38 citizen surveys, namely a section on citizens' participation in local politics and their perception of politicians.¹ Average values ranging from -100 to 100, which are part of the regression analyses, are calculated for each municipality based on the respondents' statements about participation and perception of politicians. The log of population is applied as an independent variable instead of the actual population figure. The reason is that the correlations between municipal size and the democracy variables are exponential rather than linear (Dahl & Tufté 1973, Chapter 4; Mouritzen 1991, Chapter 16). This means that a difference of e.g. 10,000 inhabitants is much more significant for municipalities of 5,000 and 15,000 inhabitants than for municipalities of 120,000 and 130,000 inhabitants. Finally, other control variables are included to prevent erroneous conclusions owing to urban effects and other differences in demographic composition. One control analysis controls for urban effects via an urbanization index.² The other controls for elements that have proven decisive after a data analysis, namely: share of 20–29-year-olds in the municipality, share of inhabitants with a high-school education, share without vocational training, and share of tenants. Owing to problems with autocorrelation, the urbanization index cannot be included simultaneously with the other control variables in the second control analysis. The presented statistical measures from the regression analyses are beta, significance level, R^2 and R^{2j} . Beta is the standardized coefficient that reflects the direction and strength of the estimated effect of municipal size. The significance level expresses the likelihood that the established correlation is statistically reliable. R^2 and R^{2j} represent the overall explanatory power of the regression model. Unlike

R^2 , the adjusted R^{2j} is not automatically increased when control variables are included. We thus avoid the unfortunate effect that even completely insignificant variables can increase the explanatory power of a model.

Participation, Interest and Knowledge

Public participation is, as mentioned, an important assumption behind the argument of proximity, and analyses of the data do show that public participation is significantly higher in small municipalities. This result confirms previous Danish research in the area (Jamil 1991; Mouritzen 1991 and 1999; Kommunedata 1995), but, surprisingly, municipal size does not affect all forms of participation.

The first regression analyses in Table 1 are very unambiguous and convincing. The correlation between municipal size and participation in local elections is negative and very strong. The beta value -0.82 is bivariate, i.e. the larger the municipality, the lower the turnout. This is also reflected in the very convincing explanatory power ($R^{2j} = 0.66$). Sixty-six percent of the

Table 1. Correlation between Municipal Size (log) and Different Forms of Participation, Bivariate and with Control Analyses, $N = 38$

	Bivariate Correlation				Control for Level of Urbanization				Control for Age, School Education, Vocational Training, and Share of Tenants			
	Beta	Sig.	R^2	R^{2j}	Beta	Sig.	R^2	R^{2j}	Beta	Sig.	R^2	R^{2j}
Voter turnout ^a	-0.82	0.00	0.67	0.66	-0.86	0.00	0.67	0.65	-0.91	0.00	0.78	0.75
Direct contact with politicians and municipal officers ^b	-0.82	0.00	0.67	0.66	-0.67	0.00	0.68	0.64	-0.74	0.01	0.69	0.63
Broad organizational participation ^c	-0.66	0.00	0.43	0.42	-0.47	0.03	0.45	0.42	-0.55	0.09	0.53	0.45
Discussion in civil society ^d	-0.40	0.01	0.16	0.13	-0.26	0.33	0.17	0.12	-0.02	0.96	0.26	0.13
Grassroots participation ^e	0.07	0.68	0.01	-0.02	-0.42	0.12	0.14	0.09	-0.14	0.75	0.10	-0.05

^a Turnout at local elections.

^b Index for the two questions: 'Have you contacted members of the city council within the past year to voice your opinions?' and 'Have you contacted municipal officers within the past year to voice your opinions or influence a case?'

^c Index for the two questions: 'Have you participated in public meetings, election meetings about local issues or attended a city council meeting within the past year?' and 'Have you participated in a meeting or discussion about local issues in associations, organizations or political parties within the past year?'

^d Wording: 'How often do you discuss local politics with friends, family or colleagues?'

^e Index for the two questions: 'Have you participated in petitions, actions or demonstrations regarding local issues within the past year?' and 'Have you contacted the media, written letters to the editor or the like about local issues within the past year?'

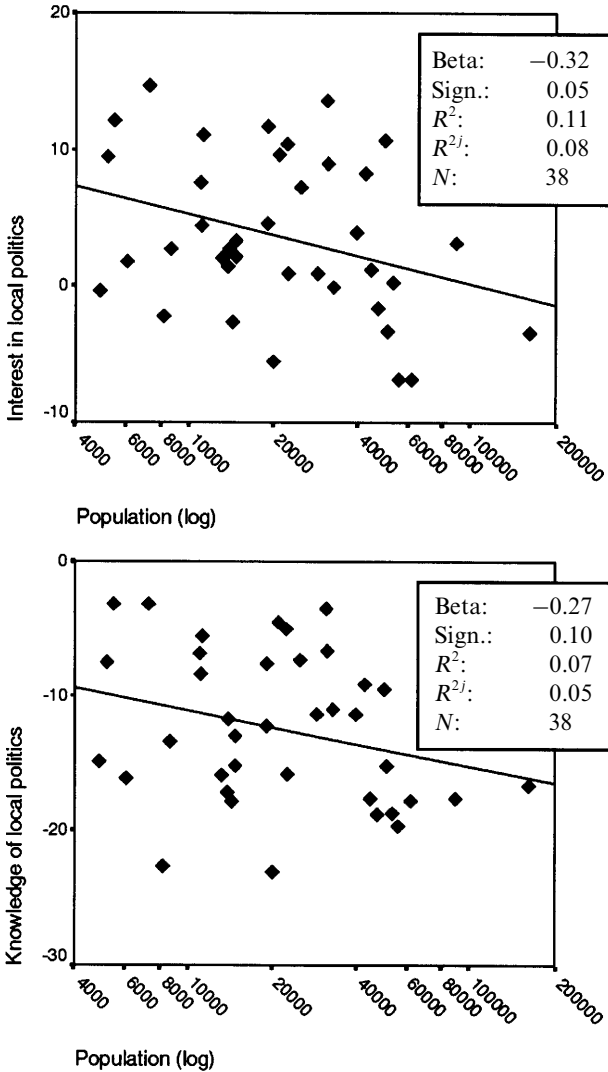
variation in voter turnout between municipalities can be explained statistically by municipal size. Inclusion of control variables even strengthens the correlation slightly (beta values -0.86 and -0.91). The same is true for direct contact between citizens and politicians or municipal officers within the past year. There is a very clear and significant correlation, which only changes slightly after control for level of urbanization and differences in share of 20–29-year-olds, share with high-school education, share without vocational training, and share of tenants. The broad organizational participation is measured by the number of citizens who have participated in public meetings, election meetings, political party meetings, etc., regarding local politics within the past year. Also here there is a negative correlation which remains significant after control for urbanization (significance level 0.03). After the other control analysis, the effect of municipal size surpasses the desired significance level of 5 percent. In other words, the negative correlation between municipal size and broad organizational participation is not completely reliable. These results are consistent with previous Danish studies. Note, however, that the data do not allow an examination of narrower organizational participation, such as membership of a political party and activity level in political party organizations. Mouritzen's studies show that narrow organizational participation is highest in medium and large municipalities (Mouritzen 1999, 25).

A participatory democracy is more concerned with the existence of lively discussion about local politics. This dimension has never been studied in relation to municipal size. Offhand, it appears that there is a negative correlation between municipal size and how often citizens discuss local politics with friends. However, the correlation becomes insignificant after the first control analysis, and the explanatory power of municipal size is generally very limited. In other words, measured by this one parameter, discussions about local politics do not fare worse in larger units. Finally, the table shows that grassroots participation in the form of participation in petitions, actions, contacts with the media, etc. at no time has a significant correlation with municipal size. Nor is the correlation positive, i.e. grassroots participation is not affected by municipal size. This result is also consistent with previous studies (Mouritzen 1991, 207).

The results are so convincing that there is no doubt that voter turnout, direct contact and broad organizational participation are greater in small municipalities. Therefore, we must expect that municipal mergers will lead to reduced participation on these dimensions, which is regrettable from the perspectives of pluralism and participatory democracy. But in many ways participation is not a goal in itself – rather a means to aggregate interests or start integrative processes. From the perspective of participatory democracy we would expect that higher participation in small municipalities should coincide with greater interest in and knowledge of local politics. The

dimension is measured by the questions: ‘How interested are you in local politics?’ and ‘How much would you say you know about the current issues in the city council?’ The data reveal only a slight tendency towards greater interest and knowledge in small municipalities (see Figure 1).

Figure 1. Correlation between Municipal Size (log) and Interest in and Knowledge of Local Politics.



Wording: ‘How interested are you in local politics?’; ‘How much would you say you know about the current issues in the city council?’

Table 2. Correlation between Municipal Size (log), Interest in and Knowledge of Local Politics after Controlling for Level of Urbanization and Other Background Factors, $N = 38$

	Control for Level of Urbanization				Control for Age, School Education, Vocational Training, and Share of Tenants			
	Beta	Sig.	R^2	R^{2j}	Beta	Sig.	R^2	R^{2j}
Interest	-0.59	0.03	0.15	0.10	-0.19	0.57	0.43	0.34
Knowledge	-0.47	0.09	0.09	0.04	-0.50	0.19	0.30	0.19

The first box in Figure 1 shows the correlation between municipal size and the citizens' average interest in local politics in each of the 38 municipalities. A value of 100 on the interest scale would mean that everybody in the municipality answered 'very interested', while -100 would mean that everybody in the municipality answered 'not interested at all'. The average is generally between -10 and 20 , which reflects a certain interest. The results from the bivariate regression show a negative correlation between municipal size and citizens' interest. However, it is a weak correlation, and the explanatory power is very limited in relation to the above analyses of participation ($R^{2j} = 0.08$). The second box in Figure 1, regarding knowledge of local politics, is constructed in the same way, and the result is almost identical: a weak negative correlation, but insignificant. The effect of municipal size after control analyses is shown in Table 2.

The negative correlation between municipal size and interest remains significant after the first control analysis, although the explanatory power is still very limited ($R^{2j} = 0.10$). Control for the other background factors limits the effect of municipal size, and the correlation becomes clearly insignificant. In contrast, the effect of municipal size on knowledge of local politics increases slightly after control, but here also the correlations become insignificant, and the explanatory power even weaker. Surprisingly, the overall conclusion is that municipal size – despite higher participation in small municipalities – has no noticeable effect on the citizens' interest in and knowledge of local politics. Previous studies have not directly focused on these correlations but, in a further control of the result, we have analysed at the individual level based on two national surveys from Kommunedata, which asked identical questions. In technical terms, the purpose is to avoid so-called ecological erroneous inferences, i.e. drawing erroneous conclusions on the basis of aggregated data. However, the analyses at the individual level also show that there is no noticeable correlation between interest, knowledge and municipal size.³

Participation, Responsiveness, Credibility and Trust

The fact that citizens in small municipalities have a more positive view of politicians and of their decisions is also a central assumption behind the argument of proximity, and it is supported by previous studies (Mouritzen 1991; 1999). The new data allow a closer scrutiny of the assumption, based on questions about the citizens' opinion of local politicians' responsiveness and credibility as well as their trust in local political decisions. The citizens were asked to consider two contradictory statements on each of the three dimensions. Again, the citizens' responses were converted to an average value between -100 and 100 . A value of 100 means that all citizens in the municipality 'agree completely' with the statement, -100 that all citizens 'disagree completely'.⁴

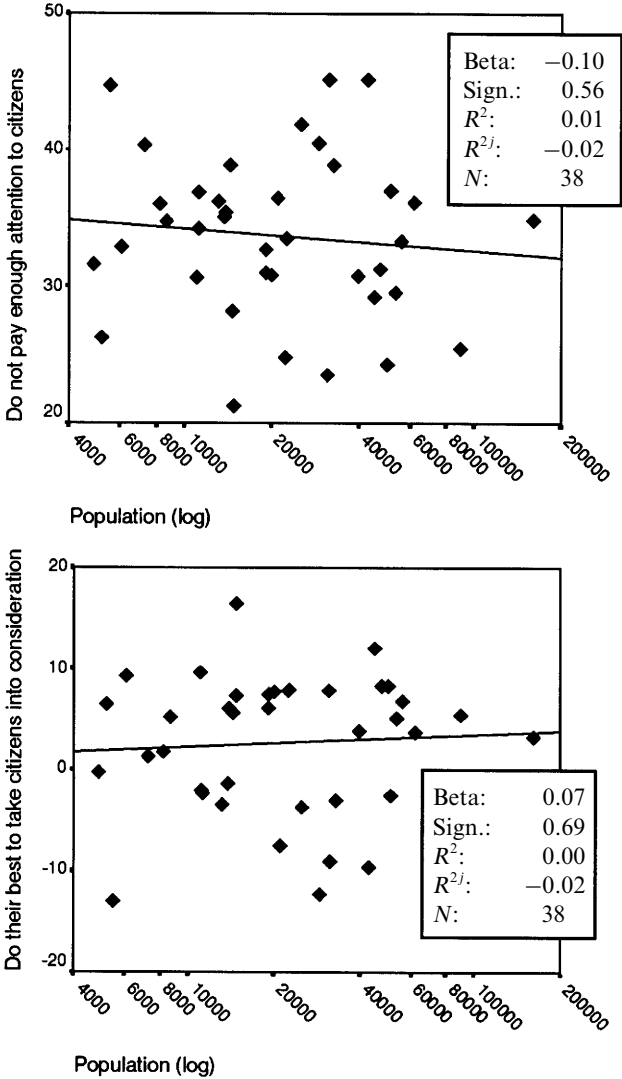
An understanding based on pluralism and participatory democracy would expect citizens in small municipalities to see local politicians as more responsive. The argument is that it is easier to aggregate interests in small units, and that proximity furthers constructive dialogue between citizens and politicians. The citizens' view of the politicians' responsiveness is measured on the two contradicting statements: 'Local politicians generally do not pay enough attention to the citizens' opinions' and 'Local politicians do their best to make decisions that take the citizens' opinions into consideration.' Figure 2 shows the bivariate correlations with municipal size. In the first box, we expected a positive correlation, i.e. the larger the municipality, the more respondents agree that local politicians do not pay enough attention to the citizens' opinions, whereas a negative correlation was expected in the second box. However, there is obviously no correlation between municipal size and how citizens perceive responsiveness: in both cases, the explanatory power of municipal size in relation to the citizens' view of responsiveness equals zero. This surprising result does not change after controlling for level of urbanization and the other control variables.

Approximately the same result was found for the citizens' view of local politicians' credibility. The dimension is measured on the following two contradictory statements: 'Local politicians generally promise more than they can keep' and 'Local politicians make an effort to implement their campaign programme.' Figure 3 shows very clearly that there is not immediate correlation between municipal size and the citizens' perception of the politicians' credibility.

The statistical measures also show that municipal size has no explanatory power whatsoever in relation to variations in the citizens' perception of credibility. Nor do the two control analyses change the results for the credibility dimension noticeably.

This takes us to the trust dimension, where there is one significant result.

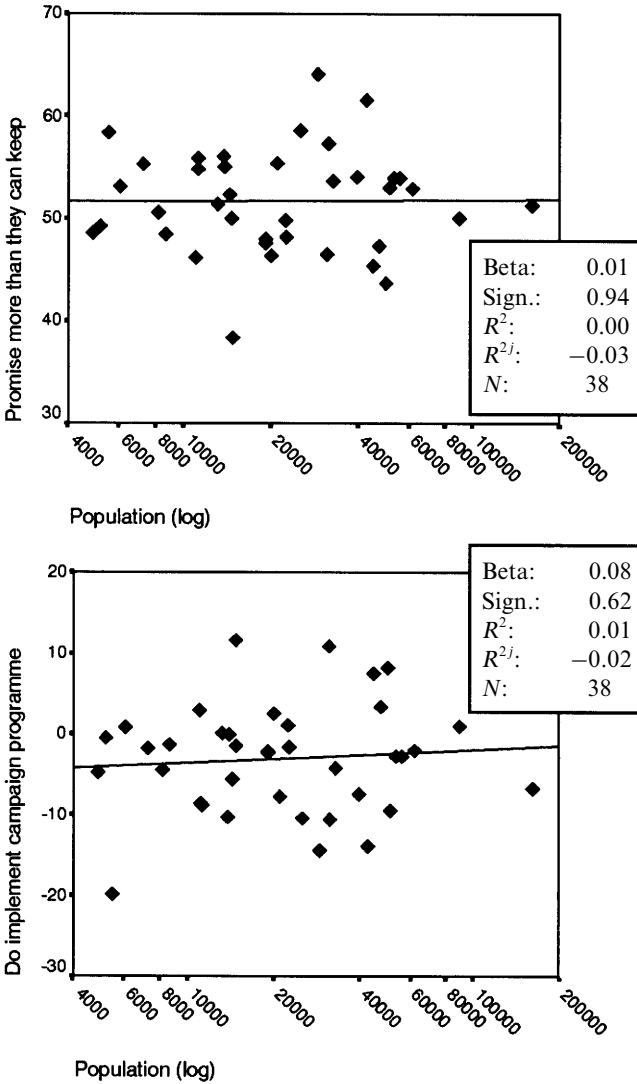
Figure 2. Correlation between Municipal Size (log) and Citizens' View of Local Politicians' Responsiveness.



Wording: 'Local politicians generally do not pay enough attention to the citizens' opinions'; 'Local politicians do their best to make decisions that take the citizens' opinions into consideration.'

Trust in local political decisions is measured by the statements 'You can trust that the city council's decisions are made on a factual and sound basis' and 'The city council lacks transparency.' The first statement specifically concerns trust in decisions, while the second statement requires a little more

Figure 3. Correlation between Municipal Size (log) and Local Politicians' Credibility.

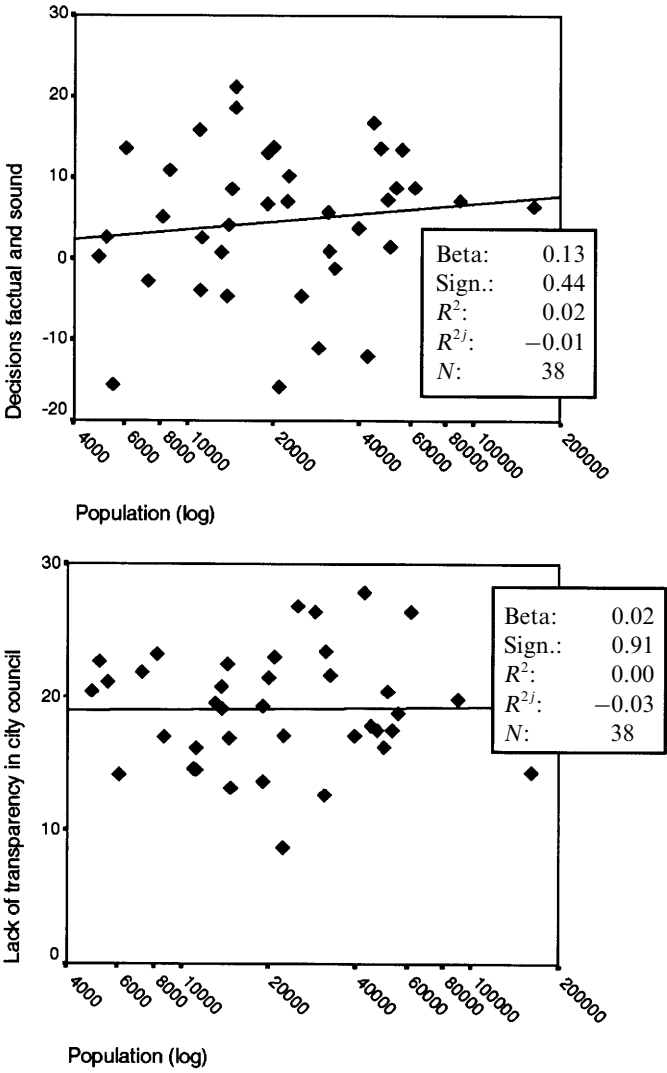


Wording: 'Local politicians generally promise more than they can keep'; 'Local politicians make an effort to implement their campaign programme.'

interpretation. The assumption is that agreement with the statement that the city council lacks transparency is rooted in distrust in the decision-making processes. Figure 4 shows the bivariate correlations.

Again, the bivariate analyses show that there is no immediate significant

Figure 4. Correlation between Municipal Size (log) and Trust in Local Political Decisions.



Wording: ‘You can trust that the city council’s decisions are made on a factual and sound basis’; ‘The city council lacks transparency.’

correlation between municipal size and citizens’ view of local democracy. However, there is a weak tendency that citizens in large municipalities agree more with the statement that local political decisions are made on a factual basis. The correlation even becomes significant in the last control analysis,

but it is a very weak correlation. Transparency remains insignificant in both control analyses.

The absence of a correlation between municipal size and citizens' perception of local politicians and local political decisions is, as mentioned, surprising compared with previous research that has shown negative correlations (Mouritzen 1999, 28). Other analyses that take other factors⁵ into account were performed to control the above results, but here also municipal size remains insignificant. Finally, the data from the 38 municipalities and two national surveys were analysed at the individual level. These analyses also showed a negligible correlation between municipal size and citizens' assessment of local democracy.⁶ In other words, when the results differ, it is not only because of different methods at the level of analysis. Also, operationalization is generally the same in studies in this area. One strength of our material is that the respondents were presented with a contradictory statement on each dimension, which – all things being equal – increases the validity. Furthermore, the present study is superior to previous studies in terms of number of respondents, which – all things being equal – ensures high credibility. It is therefore fair to conclude that there are many indications that citizens in small municipalities, despite higher participation, do not have a more positive impression of local democracy.⁷

Democracy and New Local Reforms in the Nordic Countries

The overall results of the analyses show that a number of the central assumptions behind the argument of proximity are empirically unfounded. Voter turnout, broad organizational participation and direct contact with politicians and municipal officers are greater in small municipalities. However, this does not reflect greater interest in, knowledge of or a more positive view of local democracy. The latter result especially is surprising in relation to previous research in this area. Nonetheless, the interpretation of the results will depend, to a large extent, on one's normative conception of democracy.

From a democratic elite perspective, lower participation in large municipalities will not be particularly problematic; rather the opposite. A lower level of broad organizational participation and direct contact with politicians and municipal officers give the elite the peace to implement rational and necessary measures. One possible drawback is less control, owing to lower voter turnout. Earlier studies show that national political issues have greater significance in large than in small municipalities (Gaardsted Frandsen 1997). But in democratic elitism, the key is not the amount of control, rather the possibility of overturning a sitting local political elite. This safety mechanism would be present regardless of voter turnout.

From a pluralist point of view, popular participation is most of all a means to aggregate interests, so lower popular participation is not necessarily a problem. The analysis shows that trust in elected representatives and their decisions was not smaller in large units, which indicates effective aggregation of the citizens' interests. What Mouritzen calls professionalization of local politics can even have its positive sides (Mouritzen 1999, 26). Thus, the analysis shows a weak tendency towards greater trust in large municipalities that decisions are made on a factual and sound basis and that grassroots participation exists independent of municipal size. If the citizens feel that their interests are poorly represented, popular resistance may very well mobilize in the large municipalities. The pluralist opinion that representative democracy is working and is adaptable would thus be confirmed. Moreover in large units different interests will reach the decision makers – one way or another.

Even from the perspective of participatory democracy the democratic consequences of municipal mergers appear manageable, since the integrative processes are not measurably inferior in large municipalities. Municipal size had no noticeable influence on interest, knowledge or discussions about local politics in the local community. In a dogmatic view, one might still see lower popular participation as a big democratic minus, but it is quite difficult to argue that participation is a goal in itself and not just a means.

Let us finally point out that studies of democracy in current municipal structures cannot be transferred directly to the state of democracy after new reforms. The Danish local reform of the 1970s showed very clearly that large reforms come in packages. The reform package of the 1970s contained reforms for division, allocation of tasks, allocation of burdens, and steering. So, in addition to new divisions, 'all things' were not kept equal, which is the precondition of the present analysis. Therefore, it is impossible to predict the democratic conditions in new municipal structures. Nonetheless, the present analysis is useful in nuancing the arguments that are frequently used among policy-makers and in the public debate. The frail hope must be that large public-sector reforms will be based on a qualified and visionary debate.

NOTES

1. The sections on citizen satisfaction with services are analysed by Henrik Lolle (1999; 2000).
2. The index is based on key figures from the Danish consultant firm ECO (www.eco.dk) and can be calculated in different ways. Here a simple average is applied, i.e. the different city sizes are not weighted, but count equally in the overall average. The urbanization figures were kindly made available by Poul Erik Mouritzen.
3. The two national surveys were carried out in 1995 and 1998. In the 1998 survey, the

gamma values are below 0.05. In the 1995 survey, the gamma values are below 0.10. In any case, the rank-order correlations are so modest that we cannot really talk about a correlation.

4. The average municipal value is calculated as follows. Each respondent's answer is converted to the scale -100 to 100: 'agree completely' = 100, 'agree partly' = 50, 'neither agree nor disagree' = 0, 'disagree partly' = -50, and 'disagree completely' = -100. The average value for the municipality is then calculated by adding and dividing by number of respondents.
5. The view of local democracy might be affected by the citizens' local political persuasions. We have included as control variable the share of voters in fringe parties (the Unity List, Socialist People's Party, Danish People's Party and the Progress Party), share of citizens in opposition to the mayor's party, share of no votes at the European Union referendum in 1998, share of refugees from Third World countries, and capital/not-capital.
6. The gamma values for the rank-order correlation analyses are generally below 0.10 in the two national surveys. In the 1995 survey, there are two correlations with gamma values around 0.15, which is still not satisfactory.
7. It is a general finding that satisfaction with service provision is higher in smaller municipalities (Mouritzen 1991, Chapter 16; Lolle 2000) and further analysis of our data shows a strong correlation between satisfaction and citizens' view of local democracy (Albrekt Larsen 2000). It thus appears that a positive view of local democracy is more dependent on satisfaction with service provision than high public participation.

REFERENCES

- Albæk, E., Lawrence, R., Strömberg, L. & Ståhlberg, K. 1996. *Nordic Local Government – Developmental Trends and Reform Activities in the Postwar Period*. Helsinki: Association of Finnish Local Authorities.
- Albrekt Larsen, C. 2000. 'Kommunestørrelse og demokrati – en kritisk analyse af antagelser bag nærhedsargumentet', *Politica* 4, 453–69.
- Buch Jensen, R. 1999. 'Kommunalreform – hvorfor dog det?' *Jyllands-Posten*, 28 July, 9.
- Dahl, R. A. & Tufto, E. R. 1973. *Size and Democracy*. Stanford: Stanford University Press.
- Esping Andersen, G. 1990. *The Three Worlds of Welfare Capitalism*. Princeton: Princeton University Press.
- Gaarsted Frandsen, A. 1997. *Landspolitik eller lokalpolitik? Et studie af danske kommunalvalg*. Odense: Afhandlinger fra det Det Samfundsvidenskabelige Fakultet på Odense Universitet.
- Held, D. 1996. *Models of Democracy*. Cambridge: Polity Press.
- Jamil, I. 1991. *Size and Local Democracy in Norway*. Bergen: LOS-Senteret.
- Kommunedata. 1995. *Landsdækkende borgeranalyse 1995*. Aalborg: KMD.
- Lolle, H. 1999. *Serviceudgifter og brugertilfredshed i danske kommuner*. Aalborg: Aalborg Universitetsforlag.
- Lolle, H. 2000. *Kommunestørrelse og tilfredshed med offentlig, kommunal service*. Copenhagen: Amternes og kommunernes forskningsinstitut.
- March, J. G. & Olsen, J. P. 1989. *Rediscovering Institutions – The Organizational Basis of Politics*. New York: Free Press.
- Mouritzen, P. E. 1991. *Den politiske cyklus*. Århus: Forlaget Politica.
- Mouritzen, P. E. 1999. *De små kommuner. De er ikk' så ringe endda?* Copenhagen: AKF.
- Pateman, C. 1970. *Participation and Democratic Theory*. Cambridge: Cambridge University Press.