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Chapter 7

Summary and conclusions

The research that has been carried out and reported on in the previous chapters will be considered in this final chapter of the book. Subsequently, conclusions will be drawn, including suggestions for further research.

The aim of the research has been to investigate how government intervention affects the strategy process of the firm. It has been argued that such an analysis, particularly in the case of government-sensitive markets, requires a process approach. In the second chapter, a theoretical tool for that purpose has been constructed. This model of the institutional survival path (ISP) contains the theoretical answer to the central research question on how government intervention affects the strategy of the firm. In order to test the ISP model by means of a case study, two specific propositions have been formulated that touch upon the heart of the theoretical model. In the third chapter, the methodological considerations regarding the testing of the ISP model have been outlined, including the actual research design for the case study carried out in this research. The empirical study has been reported on in the subsequent chapters. Chapter four has introduced the Dutch Wadden Sea by analyzing its regulatory framework and network of actors. Chapter five entails the case study on cockle fishery. Chapter six entails the case study on gas extraction. Together, these three chapters have delivered the needed analysis to test the propositions in particular and the model in general. In this final chapter, these findings will be wrapped into a concise summary and conclusions. The chapter will start off with a theoretical summary, outlining the ISP model and the hypothesis and additional research questions that have been formulated. Then, the cockle case will be summarized, in the light of the testing of the propositions. The same goes, subsequently, for the gas extraction case. Some theoretical implications of the research will be considered and reflected on to see to what insights the ISP model has led, thus far. Subsequently, some empirical implications will be considered by putting

the cases together. And lastly, some suggestions for further research will be discussed that might bring the ISP model further.

Summarizing the theory

How does government intervention affect the strategy of the firm? To answer this central research question, a theoretical model has been constructed and tested by means of a case study on cockle fishery and gas extraction in the Dutch Wadden Sea. The ISP model is a process model in the tradition of structuration-like theories. The model holds the perspective of the firm. The effects of government intervention are expected to come about in a process of social becoming, as defined by Sztompka (1991). It implies a duality of structure on each of the four levels of social structure. The four levels of social structure are the ideal level, the normative level, the interactional level and the opportunity level. The levels of social structure can be considered as dimensions of the social structure. Firm and government, together with other stakeholders such as consumers, competitors, pressure groups and research institutes, share certain social structures, including laws, rules and regulations. Government intervenes in businesses via the social structure, aiming to influence the emergent corporate strategy, expressed by the strategy path of the firm. The intervention is an intermingling with the firm's resources. It manifests a controversy. One of the roles of government in society is to catalyze certain controversies, surrounding corporate operation, towards settlement. Central controversies in this study, for instance, regard the ecological effects of the fishermen and mining company NAM.

Firms do not want government involvement with their strategy process, whereas policymakers *do* want to influence corporate behavior. Hence both parties strive for different settlements of the controversy, which develops through the course of the firm-government interaction process. As a consequence, the intervention itself should be regarded as a process, stretching out beyond the intervention *act*, *ex ante* and *ex post*. In addition, the intervention might manifest at least one controversy, in practice, more controversies are likely to be involved, either triggered in advance or after the specific intervention and unfolding through time. The effects of the intervention come about in the interaction process and depend on the course of the controversies. Above all, both government and the firm are expected to be interested in the effects of the intervention. Taking into account what has been said in the above, it is the question of what happens within the black-box of strategizing, rather than what comes out of it, the former question being a determinant of the latter. Intervention is aimed at change, in this case of a structuration perspective, of social structure. The dynamics of social structure

is reflected by actual agency. The development and possible triggering of a controversy determine whether or not social structures have changed and, if so, *how* they have changed. The controversy derives from the defiance of current social structures by means of non-confirmative agency. Any agent involved has the potential ability to play a role in that dispute over current social structures and violations of it. An intervention by government is an example of deliberate and explicit non-confirmative agency, because its very essence is to disrupt existing social structures in a specific direction. It is in the interest of each agent to have the controversy settled to its own particular advantage. Policymakers might have had a scenario in mind, but the actual effects depend on the course of the social interaction process, as managers, for instance, might hold diverging views on what the outcomes should be. To push the controversy in the desired direction, mobilization needs to be carried out. Mobilization is the anchoring of vested interests in the social structure in order to influence the disputed part of the social structure. Controversies disclose vacuums in the social structure, i.e. the debated part, which can be resolved by means of elaboration on the established, i.e. undisputed, social structures. The more, and the better, social structures to hold on to, the better the chance that they can be exploited in order to diminish the debated ones in the desired direction. The ISP model explicitly leaves room for any agent involved to trigger controversies, but also, or particularly, to carry out mobilization to settle them. From the perspective of the firm, efforts to settle the controversy in an undesirable direction, for instance by pressure groups or political parties, can be regarded as counter-mobilization. As a consequence, the effect of mobilization partly depends on the quality of the counter-mobilization.

Firms are surrounded by specific social structures that are relevant for survival. In this research, they have been labeled as institutional bandwidths. They define the room for institutional compatible strategic maneuvering. Institutional bandwidths at the ideal level concern cognition: which perception of reality is being portrayed? (e.g. opinions and beliefs) Institutional bandwidths at the normative level concern legitimacy: what is being prescribed? (e.g. laws, rules, regulation, advice, custom and etiquette) Institutional bandwidths at the interactional level concern the network ties: who is connected to whom? (e.g. relationships, contacts and communications) Institutional bandwidths at the opportunity level concern power issues: who has the power over what? (e.g. money, knowledge, people, patents, hierarchical positioning and political mandate) The firm-unique set of

institutional bandwidths, encompassing all four levels of social structure, are labeled the institutional survival path of the firm.²³⁷

It has been argued that the government intervention has its effects on the institutional bandwidths, hence the institutional survival path of the firm. At the same time, however, the process approach of the ISP model leaves room for mutual influence: the course of the ISP is also expected to have its effect on the actual intervention in particular and the intervention process in general. Restrictive government interventions, as likely to occur in the so-called government-sensitive markets, will generally narrow down the institutional room for maneuver of the firm. As a consequence, restricting interventions could potentially dissolve the institutional survival path of the firm. No room for maneuver means no institutional survival path, hence no legitimate firm. Aside from the ultimate scenario of a collapsing ISP, its narrowing down is an indication in itself that the interest of the firm to carry out its private rent-seeking is being lost under institutional pressure. In other words, the firm needs to maintain its institutional survival path, particularly when it is under the fire of government intervention. The ISP model thus expects the effects of intervention to be found in the development of controversies and more particularly, from the perspective of the firm, in the mobilization efforts and the course of its institutional survival path.²³⁸

The ISP delivers two propositions, which have been tested in this study, and supply the theoretical answer to the central research question:

1. The government intervention manifests a controversy.
2. The controversy leads to corporate mobilization.

A case study has been selected as research method. The aim of the research was to test the ISP model and its propositions through generalization of empirical findings to the theory (Yin, 1994). The subsequent empirical testing of the model is structured along the lines of the propositions, which derive from the model. The testing of the model was carried out by means of process research. One case study, entailing two cases/firms, has been studied in depth in order to sustain the proposed model by laying bare the underlying process mechanism. A case-study on mechanical cockle fishery and gas extraction in the Dutch Wadden Sea has been conducted for that purpose. For the cases of cockle fishery and that of Wadden gas, controversies were distilled from two separate databases, for two separate analyses, each for one firm and its ISP. The course of each controversy was analyzed in terms of a trigger event, its

²³⁷ ISP = institutional bandwidths = social structure = firm

²³⁸ intervention \Rightarrow controversy \Rightarrow mobilization \Rightarrow Δ ISP

general development, critical events, a possible settlement and mobilization efforts, all by taking into account the separate levels of social structure from an interaction process perspective. The process approach of the research implied an event-history analysis. Social structures might not have an ontological status; actual agency on the other hand *can* be detected in the empirical reality. This actual agency is operationalized in terms of an event (Van de Ven & Poole, 1995). Events were gathered from a.) archival resources, b.) direct observation and c.) qualitative interviews.

For the case study, two intervention acts were selected. The first intervention act is the Governmental Structure report on sea and coastal fishery in 1993 (LNV, 1993). The second intervention act is the Parliamentary 'no' to new Wadden gas activities in 1999. The effects of the first intervention were analyzed from the perspective of the mechanical cockle industry, the second intervention from the perspective of mining company NAM. The two cases would come to a conclusion in the year 2004.²³⁹

Summarizing the cockle case

The first analysis for this research was on the effects of the 1993 Governmental Structure Report on the strategy of the cockle fishermen. The following summary of the case study is structured along the lines of the two propositions (posed here as questions) and the controversies.

Did the intervention manifest a controversy? (cf. proposition 1)

Yes: the Governmental Structure Report on sea and coastal fishery in 1993, which was designated as the intervention for this research, defined the central controversy in the cockle case, which is the dispute on the effects of mechanical cockle fishery on the ecology of the Wadden Sea. The intervention expresses the concern about the ecological effects, implicates immediate measures of prevention and announces potential ones. The ecological controversy cannot be seen separately (hence the designation 'central' controversy) from other disputes which have been categorized into the preceding controversy, the socio-economic controversy and the strategic positioning controversy.

Four controversies were identified from the empirical database:

Controversy 0 (preceding controversy): Newcomers in the Wadden Sea

Controversy 1 (central controversy): The effects of mechanical cockle dredging on the ecology of the Wadden Sea

²³⁹ case study = cockle case + gas case = ISP cockle sector + ISP NAM

Controversy 2: The socio-economic relevance of the cockle industry

Controversy 3: The strategic position of the cockle industry

It has to be concluded that the intervention in 1993 defined not only the then 'mature' central controversy, but also the 'awakening', controversies on socio-economic relevance and strategic positioning (see figure 23). The content, course and settlement of the four controversies can be summarized as follows:

Controversy 0, the preceding controversy, was triggered in the late 1960s, when the newcomers entered the Wadden Sea and caused concern for the local fishermen. The dispute featured those who stated that the newcomers were damaging the ecology of the Wadden Sea against those who did not see the problem.

The local fishermen, 'the Southerners', were opposed to the newcomers, 'the Northerners'. Settlement of the controversy led to strong lock-ins at each of the four levels of social structure, which would be crucial for future developments, i.e. subsequent controversies. At the ideal level, the fear was now sustained that newcomers would do damage to the Wadden ecology. At the normative level, the exclusive position of the fishermen at the Wadden Sea was legitimized through legislation. At the interactional level, the boundaries of the cockle network were now demarcated. At the opportunity level, the fishermen from now on *owned* the licenses.

Despite the fact that the preceding controversy was settled with lock-ins at all the levels of social structure, its trigger event ignited another, more fundamental, controversy for the years to come: the ecological controversy.

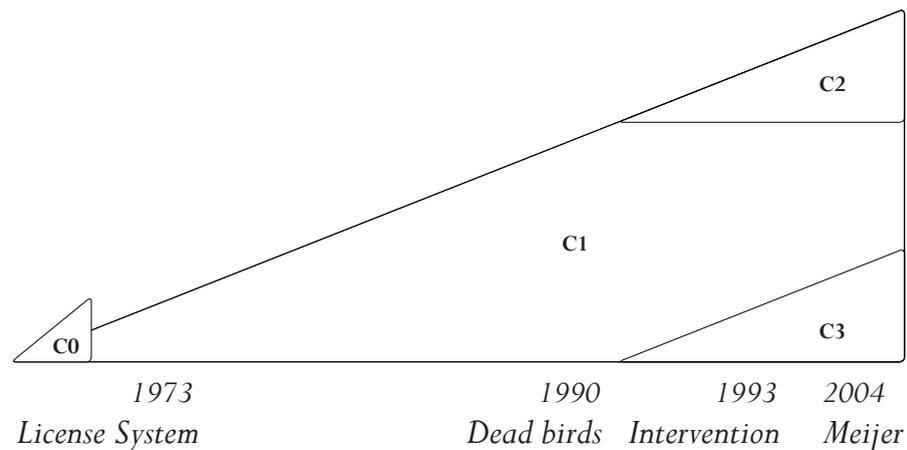


Figure 24: the course of the three controversies through time

Controversy 1, on the ecological effects, was triggered at the same time as the preceding controversy, when fisherman Kooij expressed his concern about the ecological effects of more newcomers entering the Wadden Sea. The dispute featured those who stated that there are lasting ecological effects of mechanical cockle dredging in the Wadden Sea against those who state that there are no lasting effects.

The anti-cockle front, who represented 'the birds', opposed the cockle sector. The controversy was settled by the European Court in Autumn 2004, stating that mechanical cockle fishery should not be regarded as an existing activity, but as a project. The judgment of the European Court implied the application of the precautionary principle, which meant that yearly fishing licenses could only be granted when the absence of ecological effects could be guaranteed. The ecological controversy gave room to two other subsequent controversies: the socio-economic relevance controversy and the strategic positioning controversy.

Controversy 2, on the socio-economic relevance of the cockle sector, was triggered in 1992 with Winsemius's plan to buy out the sector with the revenues of Wadden gas. The dispute featured those who emphasize the socio-economic relevance of the sector against those who point at the relativity of it. The anti-cockle front, who represented 'the taxpayer' and 'the consumer', opposed the cockle sector. The controversy was settled by Parliament in Autumn 2004, when it was decided to buy out the sector and allow gas extraction.

Controversy 3, on the strategic position of the cockle industry, was triggered in the early 1990s, when environmental agencies accused the fishermen of not leaving sufficient food for birds, resulting in extreme death rates. The controversy featured those who stated that the sector was carrying out sufficient strategies to justify its existence in the Wadden Sea against those who questioned their efforts. The cockle sector opposed the anti-cockle front. The controversy was eventually settled in 2004 when the sector admitted that it would not be able to innovate sufficiently within the seven years as proposed by the Meijer report.

Did the controversy lead to corporate mobilization? (cf. proposition 2)

Yes, the central controversy, in conjunction with the other two controversies, led the fishermen into undertaking various mobilization efforts, as of the early 1990s, when the intervention was due. The most significant examples of mobilization were: the publication of 'Out of the Shell', Braks as chairman of PO Cockles, implementation of the black box, cooperation with scientists, inviting people onto the ships, lobbying in The Hague, cockles on the menu,

fishing plans, defenses in Court and emphasizing the relevance of the branch to the shellfish industry in general.

Summarizing the gas case

The second analysis which was carried out was on the effects on NAM's strategy process of the 1999 Parliamentary 'no' to new Wadden gas activities. The following summary of the case study is structured along the lines of the two propositions (posed here as questions) and the controversies.

Did the intervention manifest a controversy? (cf. proposition 1)

Yes, the Parliamentary 'no' in 1999 to new Wadden gas activities, which was designated as the intervention, declared the ecological controversy, which is the dispute on the effects of gas extraction on the ecology of the Wadden Sea. The intervention expressed the concern about the ecological effects and implicated immediate measures of prevention, i.e. prohibition of extraction, as a means of settlement of the ecological controversy. The ecological controversy cannot be seen separately (hence the designation 'central' controversy) from other disputes which have been categorized into the socio-economic controversy and the strategic positioning controversy.

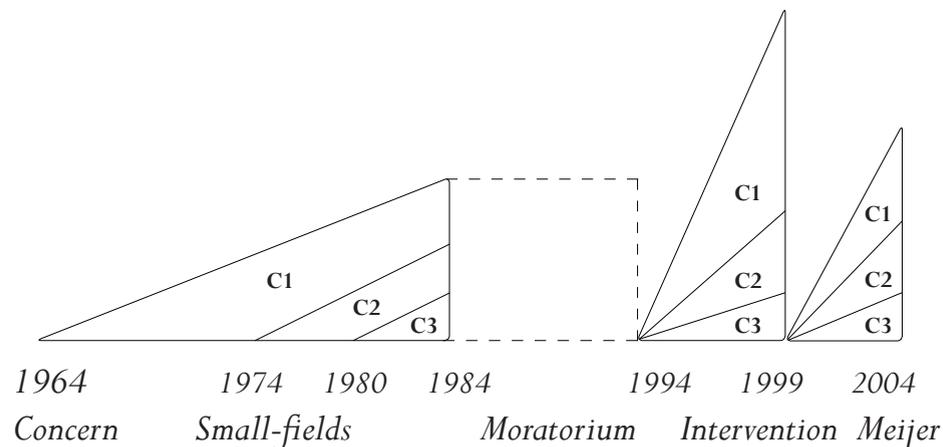


Figure 25: the course of the three controversies through time

Three controversies were identified from the empirical data base:

Controversy 1: The effects of gas extraction on the ecology of the Wadden Sea

Controversy 2: The socio-economic relevance of Wadden gas

Controversy 3: The strategic positioning of NAM

It has to be concluded that the intervention in 1999 defined the ecological controversy, yet its subsequent settlement has only been of a temporary character, as the controversy re-emerged soon thereafter, including the socio-economic controversy and strategic positioning controversy.

The content, course and settlement of the three controversies will now be summarized. Controversy 1, on the effects of gas extraction on the ecology of the Wadden Sea, was triggered by Parliament in 1964, expressing its concern for a 'wild west' on the Wadden. The controversy featured those who state that there are lasting ecological effects against those who do not foresee negative effects.

The Wadden lobby was opposed to NAM. The controversy was put on hold for ten years during the 1984-94 moratorium and soared high immediately thereafter until its settlement in 1999 by means of the intervention. The intervention did not prevent the controversy from arising again. The controversy was settled, until further notice, with the putting into practice of the 'hand on the tap principle' by NAM from 2004 onwards.

Controversy 2, on the socio-economic relevance of Wadden gas, was triggered with the small fields policy in 1974, which linked the Wadden gas to the Groningen reservoir, but only rose beyond its initial dormant status after the moratorium in 1994. The controversy featured those who emphasize the socio-economic relevance of the Wadden gas against those who point at the relativity of it.

NAM and the Ministry of Economic Affairs were opposed to the Wadden lobby. The controversy remained rather dormant during the moratorium, briefly revived prior to the intervention and rose up again thereafter. The controversy was settled in 2004 when Parliament allowed gas extraction in the Wadden Sea.

Controversy 3, on the strategic position of NAM, was triggered at the local level when extraction started on the island of Ameland in the early 1980s. The controversy featured those who stated that NAM had been carrying out the right and sufficient strategies to justify its existence in the Wadden Sea, against those who questioned their efforts. NAM, supported by Shell and the Ministry of Economic Affairs, were opposed to the Wadden lobby. The

controversy remained rather dormant during the moratorium, briefly revived prior to the intervention and rose up again thereafter. The controversy was settled in 2004 when Parliament allowed gas extraction.

Did the controversy lead to corporate mobilization? (cf. proposition 2)

Yes, the central controversy, in conjunction with the other two controversies, led NAM to putting into practice various mobilization efforts, mainly as of the intervention in 1999. The most significant examples of mobilization were: deviated drilling, Wadden fund, cooperation with scientists, reference to Ameland monitoring studies, emphasis on tax revenues, emphasis on small-fields policy, emphasis on aging infrastructure, emphasis on ownership rights, ranking Wadden Sea activities, lobbying in The Hague, defenses in Court, hand on tap principle, IMSA network strategy, Zeegse meetings and the MER.

General summary: putting the theory and the two cases together

From an empirical point of view, we have seen that the strategic behavior of the cockle sector and NAM can be understood in terms of the vocabulary of the ISP model and its underlying logic, related to the designated interventions. Both enterprises operated in the 'government-sensitive markets'. Both faced government intervention, of which one for each was made central in this research.

Reasoning from the ISP model, the intervention in 1993 should have been a stimulus for mobilization of the cockle sector, to prevent further, and more dramatic, interventions, which had already been declared for 2003 by means of the current intervention. In other words, the 1993 intervention marked the narrowing down of the ISP, but mobilization was needed in order to prevent a collapse of the ISP in the next ten years.

Reasoning from the ISP model, the intervention in 1999 implied a collapse of NAM's ISP, which is an indication of insufficient mobilization until that point. However, the dialectical model supplies a possibility of attempts to open up the ISP again through mobilization, as NAM successfully did after the intervention.

Both cases have illustrated how the intervention act cannot be seen separately from the intervention as a process, in which more intervention acts are likely to occur and in which firms react strategically, ex-ante and ex-post: interventions and (counter-) mobilization take place in a revolving door of the firm-government interaction. From this process perspective, the message of the ISP model is to continuously be aware of institutional pressure and pro-actively and sufficiently mobilize in order to control the institutional bandwidths. In this case study, we have only seen NAM doing that, after the

‘traumatic’ experience of the 1999 intervention. Prior to that time, NAM had carried out mobilization, but not proactively enough (hence the ‘surprise’ of the counter-mobilization in 1999) and not to such a sufficient extent (not having covered all controversies and levels of social structure) to prevent a collapse of its ISP. The more impressive was the grand mobilization strategy (pro-actively and sufficient) as of 1999 to open up the ISP again.

The fishermen had, to a certain extent, pro-actively mobilized, particularly prior to the 1993 intervention (e.g. collective mobilization) and shortly thereafter (e.g. black box), but not sufficiently, leaving controversies open and levels of social structure uncovered. This vacuum was soon dominated by counter-mobilizations from the anti-cockle front, eventually leading the collapse of the ISP in 2004.

It has to be stressed that sufficient and pro-active mobilization is not by definition a ‘sufficient’ condition for preventing a collapse of the ISP, or less dramatically, to open up and exploit institutional bandwidths. It is for that reason that the propositions are restricted to (1.) controversy, (2.) mobilization and (3.) counter-mobilization and do not go into the causality involving the fluctuations of the bandwidths and the ISP. Firstly, social structures themselves are not ‘measurable’ and, secondly, fluctuations of institutional bandwidths are not one-to-one linked with the strategic agency of the firm. As a consequence, the ISP does not give a recipe for success. It delivers an analytical tool serving as a minimum requirement (perhaps indicating a barrier to entry) to ‘play the game’ of interaction. The extent of success lies in the quality of the mobilization (perhaps indicating a barrier to success) and endogenous agents. For instance, in this case study, one might wonder if the fishermen were not destined to ‘lose the game’ and NAM destined to ‘win the game’.

Government intervention is a process.

Effects of government intervention are not predestined.

Firms that (pro-) actively encounter government intervention are likely to derive competitive advantage from their mobilization strategies.

Figure 26: General messages from the - first tested - ISP model

Both the cockle case and the gas case reveal deterministic arguments as well as room for escapism. For instance, on the one hand, one could argue that the fishermen were destined to disappear from the Wadden because ecological damage does not weigh up to the socio-economic relevance of the Wadden Sea, but at the same time, what would have happened if the cockle had become a national delicacy? Or, taking the NAM case, one could argue that the gas would have come up anyway, considering the billions of euros of tax involved, but what if an economic high tide, or cheap imports, had made the reserve less valuable, compared to ecological values? The ISP model is not able to answer these ‘what-if’ questions, but it does supply the analytical framework to understand why things go the way they go. From that perspective, it is worth drawing some additional conclusions, with regard to the two primary stakeholders in the cases being studied: firms and government. What can NAM and the fishermen on the one hand and government on the other learn from the interaction process they have been so heavily involved in, and that has been studied for this research?

Conclusions: lessons learnt for firms

As summarized in the above, two businesses were studied when testing the ISP model. Their relevant question was and will be: what can *we* learn from this? The perspective of this study was indeed that of the firm, which is that of competitive advantage. With hindsight, an interesting question would be “What explains our insufficient mobilization?”, as both businesses encountered some serious setbacks throughout the interaction process. Lessons learnt then include the insights that come through analyzing what could perhaps have been a better way of carrying out mobilization strategies. As will appear below, the explanations for both the fishermen and NAM show striking similarities, despite the many differences between the two cases. This may lead us to believe that these conclusions might also be of interest to other businesses under similar circumstances, for instance as suggestions for their own strategizing.

Explaining insufficient mobilization by the cockle fishermen

Did insufficiency²⁴⁰ in mobilization (i.e. uncovered controversies and/or levels of social structure) lead to counter-mobilization? The answer would be

²⁴⁰ ‘Insufficiency’ here is meant in a relative way, with no clear definition, because (a.) actual and perceived qualifications of what (in-)sufficient is might vary over time and (b.) the qualification depends on whether the level of analysis is ‘the whole package of mobilization efforts’ or even the ‘grand strategy’ or, for instance, one particular mobilization strategy.

yes. The mobilization efforts of the fishermen did not cover all controversies and all levels of social structure sufficiently. In addition, mobilization started relatively late. This insufficiency left room for environmentalists, led by the Wild Cockles, to counter-mobilize, particularly on those controversies and levels of social structure that the fishermen only dealt with rudimentarily. The impossibility of settling the central controversy by means of mobilization left room for the other two controversies to arise, develop and, more importantly, settle, which served as a leverage for the political wrapping-up deal in 2004, including the 'provisional' settlement of the central controversy, sustained by the precautionary principle. The sector (could have) witnessed a gradual narrowing down of its ISP until the 1990s and a more exponential development thereafter, culminating in a full collapse in 2004. An investigation of the insufficient mobilization, per controversy and level of social becoming, delivers an explanation of where exactly the fishermen failed in their mobilization efforts.

What were the mobilization efforts and effects per level of social becoming for controversy 1? During the long course of the ecological controversy, the fishermen failed to effectively mobilize in order to settle the dispute. The sector relied on its arguments at the ideal level, without sufficiently and actively taking care of the remaining levels of social structure. At the ideal level, the fishermen believed that the outside world would one day be convinced of their rightful place in the Wadden Sea, without durable negative effects. At the normative level, the fishermen limited themselves to a willingness to adjust to rules, norms and regulations, without proactively demarcating and exercising sufficient legitimate room for maneuver. It is at this level that the precautionary principle dissolved the vacuum that was left unused. At the interactional level, the fishermen did not sufficiently expand and elaborate on network ties with the outside world, particularly with regard to research institutes. At the opportunity level, the fishermen did not sufficiently exploit their resources, particularly with regard to technological innovation. The fishermen failed to see that mobilization at the ideal level, in order to be successful, needs simultaneous elaboration on the other levels of social structure also.

What were the mobilization efforts and effects per level of social becoming for controversy 2? The mobilization efforts of the cockle sector failed to establish its socio-economic relevance. At the ideal level, the fishermen were not able to get the Dutch market interested in the cockle as a 'national' delicacy. At the normative level, the sector put its judicial rights into practice to safeguard and legitimize its existence on the Wadden Sea. At the interactional level, the sector was not able to establish ties with the larger

industry to sustain its economic position. At the opportunity level, the sector was not able to compete with the economic stakes of Wadden gas. The socio-economic relevance controversy was settled at the opportunity level, after the future of the cockle industry and that of gas extraction in the Wadden Sea had become entangled in the political debate. The fishermen had little potential to settle the socio-economic relevance to direct the socio-economic relevance controversy in the desired direction, particularly when comparison with the gas revenues was made. The fact that no real effort was put into getting the cockle on the national menu, in addition to the traditional exports to Southern Europe, can nonetheless be considered as a missed chance in this respect.

What were the mobilization efforts and effects per level of social becoming for controversy 3? The mobilization efforts of the fishermen failed to convince the outside world that it was carrying out the right strategies to justify its economic activities. At the ideal level, the fishermen were not able to remove the general perception that a relatively small industry was not putting sufficient effort into diminishing the relatively large negative external effects of their activities. At the normative level, the fishermen adhered to existing regulations and put into practice an extent of self-regulation. At the interactional level, the fishermen were open to any kind of cooperation with anybody interested in their activities, either professionally or privately. At the opportunity level, the fishermen did not possess the right resources to make their activities ecologically less obtrusive.

Explaining insufficient mobilization by NAM

Did insufficiency in mobilization (i.e. uncovered controversies and/or levels of social structure) lead to counter-mobilization? The answer would also in this case be affirmative. NAM saw its ISP fully collapsing with the 1999 intervention, without having put into practice any significant mobilization efforts prior to that. The opposite is also true, taking the intervention as the point of departure for mobilization, covering, and opening up again, all controversies and all levels of social structure, resulting in an expansion of their ISP.

What were the mobilization efforts and effects per level of social becoming for controversy 1? It was only after 1999, when Parliament had voted against gas extraction in the Wadden Sea, that NAM started to deliberately carry out mobilization. Regarding the first controversy, mobilization was successful, particularly in the sense that a settlement of the controversy *against* NAM's own interest has been prevented. At the ideal level, a crucial mobilization achievement was to get gas extraction placed much lower in the ranking of harmful activities than people expected: the

focus shifted to more harmful activities, like mechanical cockle fishery. At the normative level, mobilization consisted of complying with existing rules, reference to previous experiences and the proposal of the 'hand on the tap principle'. At the interactional level, mobilization aimed to get as many relevant stakeholders as possible into the network, including the critics, which accompanied the whole process leading up to the drillings. At the opportunity level, NAM successfully innovated to reduce the risks of negative external effects.

What were the mobilization efforts and effects per level of social becoming for controversy 2? NAM put its mobilization potential for this controversy into practice relatively late explicitly in order to sustain the socio-economic relevance of the Wadden gas. At the ideal level, NAM stressed the relevance of gas as a relatively clean natural energy resource and an asset for the Dutch economy. At the normative level, NAM held on to its legal vested interests which defined its ownership of the gas as of the 1960s which would result in major claims. At the interactional level, NAM particularly held on to its ties with Shell and the Ministry of Economic Affairs, knowing they would be strong allies, representing major public and private stakes. At the opportunity level, NAM saved a crucial mobilization potential for last, by linking the Wadden gas with the lingering problem of mechanical cockle fishery, the interests of which did not equal that of the potential gas revenues.

What were the mobilization efforts and effects per level of social becoming for controversy 3? NAM has been careful in its strategic behavior, first restricted at the local level, but after 1999, also in respect to the national level. At the ideal level, NAM, in collaboration with IMSA, tried to convince all stakeholders that their interests were not by definition incompatible with those of Wadden gas; on the contrary, and that if stakes were damaged, compensation would take place. At the interactional level, NAM paid great attention to keeping all stakeholders 'on board' during the whole interaction process. At the opportunity level, NAM possessed overabundant financial resources and organizational expertise to accomplish the necessary mobilization.

Conclusions: lessons learnt for policy makers

The central research question of this study points to lessons learnt for policymakers. Given the outcomes of the research, what can government learn from it? Two general conclusions will be drawn here, that are in fact recommendations for government in general, when intervening in the market. Firstly, it will be advisable to be clear and precise about the priorities that

underlie the intervention. Secondly, it will be advisable to facilitate active involvement of stakeholders throughout the entire interaction process. These conclusions are not far-fetched, nor are they new to scientists or practitioners. However, their relevance for the cases under examination here - and most likely for other cases of interventions in government sensitive markets also - makes it worthwhile to examine them a more deeply.

Clear and precise prioritization

An intervention is usually part of a larger policy, often encountering a wide array of interests. In addition, as has been argued here, the intervention is a process and effects can be kaleidoscopic, stretching out over time, ex ante and ex post the intervention act. Cockle fishery and gas extraction in the Wadden Sea have taken place against that background. We have seen that, within the time span of a few decades, policies can change, as in this particular case, from the plans to impolder the wetlands to the accommodation of becoming a UNESCO world heritage site. This research has indicated that both the cockle fishermen and NAM (could) have witnessed a narrowing down of their institutional bandwidths in accordance with this development towards intensifying nature preservation in that area. However, this does not, by definition, imply a fully linear and consistent policy in that direction through the years. For instance, the EVA II report was a logical and announced follow-up on the first evaluation research, but where in EVA II, or in its over 40 underlying reports, was it advised to abandon mechanical cockle fishery from the Wadden Sea, which appeared to be a definitive outcome of the process? And what was the Parliamentary 'no' to new Wadden gas extractions worth, if a few years later gas from new fields was flowing to the mainland? In other words, has government always been clear and precise what the priorities in the Wadden Sea were? And who *is* government? More of these skeptical questions can easily be formulated, but if there is one thing that this study has illustrated, it is that policymaking is a process, characterized by shifting goals and priorities. For that same reason, it is not expected that the current outcomes of the interaction processes, as described in this research, have established a status quo for the Wadden Sea. At this stage, gas revenues and nature preservation have prevailed over a relatively small cockle fishing industry, which according to some illustrates the power of the big money and nature values. It is conceivable, however, that other competing values will become increasingly important in the Wadden Sea in the future. For instance, if sea levels continue to rise, coastal safety will become an even bigger issue than it already is. From that perspective, it would be worth repeating the exercise of policy entrepreneur IMSA, in which they had let all kinds of

specialists rank potential risks and threats to the Wadden Sea. Would that ranking of 2003, with cockle fishery relatively high and gas extraction relatively low on the list, remain the same in the future? If not, policies will change, interventions will occur and the story starts all over again. A government being more clear and precise about the priorities, and potential shifts therein, could avoid gainless investments by those who hold other focal points. Moreover, benefits are to be expected if others also work towards one desired end. For instance, some considerable investments by scientists (e.g. EVA II research), fishermen (e.g. mobilization efforts) and the tax payer (e.g. the buying out millions) have been made, of which it remains to be seen if they appear to be worth it in the end, from these different perspectives. Is it thinkable that, one day, people will ask themselves “why did they not spend all that money in the development of sustainable cockle fishery?”

Facilitation of active stakeholder involvement

In this study, it appeared that government is not always the imposing first mover. This is in line with the notion proposed here of the institutional survival path, and with trends in academia and society where government is being given a less hierarchical position in society. An important role of modern governments is that of a catalyst. A necessary condition for playing that role effectively is to be able to work with other parties, through questioning, informing, triggering and facilitating. We have seen that firms are eager to see government putting that into practice. The firms being studied, but also other parties such as scientists, had a great deal of knowledge and expertise. But money is also an important asset in society that government could make better use of. Another valuable resource in society is that of initiative and innovation. As appeared from this study, NAM had done its homework very well, for instance by building up a solid track record of monitoring at the island of Ameland, and did not refrain from taking initiatives, which eventually paid off. The ISP model presumes that firms can derive competitive advantage from initiative and investments in getting to know the institutional environment in which they operate. These are prerequisites for firms to make use of that institutional environment, with the potential of changing institutional bandwidths as an ultimate source of competitive advantage. In this study, we have seen that this has worked out well for NAM, but not for the fishermen. The failed mobilization efforts of the latter might not only be a loss to the fishermen involved. It is perhaps also a missed chance for Dutch society and the economy to develop a sustainable cockle fishery. With increasing world populations and the growing need for nature conservation, it is believed that sustainable fishery is something that

should be invested in, not only by businesses, but also by, and with, government. Not surprisingly, the need argued here for the facilitation of active stakeholder involvement should best go hand in hand with the clear and precise prioritization that has also been argued in the above.

Suggestions for further research: potential of the ISP model

The boundaries between the public and the private spheres can be blurred, as recent history has indicated. In addition, intermediate social structures, such as trust and legitimacy, appear to function as cornerstones of the public-private interface. The model of the Institutional Survival Path has been designed to get more of a grip on the dynamics involved in that complex interaction process. The model builds on a growing body of literature in which scholars of organization studies, strategic management and/or social sciences such as public administration try to find one another. It is believed that this is a promising development for the social sciences, as well as for practitioners and policymakers who could benefit from the achievements that lie waiting.

The ISP model has been applied to the case of cockle fishery and gas extraction in the Dutch Wadden Sea. Despite the fact that the model has appeared to be workable in this case, more research is required to sustain its solidity. It is thus advisable to apply the model to other case studies. In addition, the model in its current condition leaves room for further elaboration and refinement. A few suggestions for that will conclude this study.

Firstly, to what extent is the taxonomy of controversies applicable to other environmental case studies? For this research, an analytical distinction between the ecological, the socio-economic and the strategic positioning controversies appeared to be a logical and workable one, but that might also be true for other cases of institutional pressure due to environmental concern.

Secondly, the notion of counter-mobilization deserves further elaboration. For this research, the emphasis was on the perspective of the firm and its mobilization efforts. However, taking the other angle, which is that of counter-mobilization, by the firm or its opponents, also seems promising. Despite a more negative connotation, all kinds of organizations can benefit from the ability to frustrate the strategies of another. The question then is, from a conceptual point of view, to what extent counter-mobilization differs from mobilization.

Thirdly, the taxonomy of modes of intervention (see chapter 2, figure 4) requires further investigation. Only one of the six modes has been applied to this research, but the other modes or the taxonomy in general could be worth additional research also.

Fourthly, the ISP model has been constructed in the light of a research question on the effects of government intervention, but a fair argument can be put forward to apply the model to cases with no particular relationship to government intervention. The ISP model has served as a metaphor for the firm which might imply further and more general potential for organizational research. In particular the notion of mobilization could shed some new light on how competitive advantage can be acquired by how management deals with the organizational environment. The question then is: is the ISP model a new and worthwhile way of looking at the firm?

