

Does smart mobility change who the regulator should be? Multi-level governance of shared micromobility

Andreas Kokkvoll Tveit Institute of Transport Economics <u>akt@toi.no</u>



Intro: Authority and smart mobility

- Political systems are (to some extent) designed to produce desirable outcomes
 - We distribute tasks and authority among levels and bodies of government to ensure effective problem solving
 - When the world changes, we change the political system in accordance with the new challenges
- So, what challenges entails the smart-mobility transition for our political system?

My focus: What is the optimal level of decentralization of authority over shared micromobility?



Why (de)centralize power?

- The «decentralization theorem» (Oates 1999; Schakel 2010) argues that decentralization is appropriate if:
 - Needs or preferences vary across locations
 - If the needs of one town are different from the needs of other locations, that town should be free to set its own rules.
 - Spillover effects are absent
 - If the rules of one town do not bother people in other locations, that town should be allowed to set its own rules.
 - Economies of scale are absent
 - If one cannot spread costs over multiple units, there is little reason to centralize production or authority.



- Do needs and preferences vary across locations?
 - Yes, somewhat: Urban geographies are different -> cities have different needs concerning e.g. e-scooter regulation
 - Hence, municipalities should have considerable authority over e.g.:
 - Parking
 - Market access
 - Fleet size (and location)



Spillover effects?

- What difference does it make to Bergen if Oslo has 2000, 5000, or 10.000 e-scooters?
- However: Varying sub-national arrangements may reduce commercial actors' interest in entering a national market.
- On the other hand, beneficial political/regulatory innovations in one town may be adopted by others



Economies of scale?

- Planning and implementing multiple local policies consumes more bureaucratic resources than a single national policy
- Benefits of data sharing may decrease if all cities have their own data-sharing specifications



- Conclusion thus far: Yes, municipalities should have considerable authority over certain shared micro-mobility policies
- However: Are municipalities up for the job?
- The decentralization theorem is mute concerning political and bureaucratic capacity
 - Our findings suggest that such regulatory capacities vary somewhat across municipalities



Regulatory capacity

- Developing and implementing e-scooter policies requires specialized knowledge and considerable amounts of time
- On the other hand:
 - Learning effects are expected
 - Technological innovations reduce costs
 - Municipalities have much experience with tenders



Conclusion

- Good reasons exist to leave many decisions to local authorities
- The benefits of such decentralization hinges on local regulatory capacity



Thank you!

Andreas Kokkvoll Tveit akt@toi.no

