Netherlands Report
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Sustainable Governance
Indicators 2016
Executive Summary

The quality of Dutch democracy remains above average. However, the stability of this trend appears to be decreasing. The continuing economic and global political uncertainties have produced an inward-looking and volatile electorate. Since late 2010, governments have no longer been assured of a solid majority in the bicameral States General. Since 2012, the Netherlands has been governed by a minority coalition cabinet (Rutte II) made up of ideological rivals (the conservative-liberal People’s Party for Freedom and Democracy (VVD) and the Labor Party (PvdA)). With its majorities varying on a case-by-case basis, the Rutte II cabinet has nevertheless been able to garner sufficient parliamentary support to pass an agenda of neoliberal legislative reforms softened by social-democratic measures. Providing grounds for more serious concern, the political parties and government bureaucracy have shown a decrease in respect for rule-of-law requirements, for legislative and administrative details, and for the management of the judicial infrastructure itself.

Policy performance is average, but still satisfactory. Economic policies have been moderately successful, especially in the budgetary and accounting spheres. However, unemployment rates have not diminished, and the above-average youth unemployment rates are of particular concern. In 2015, the government announced tax cuts intended to increase consumption spending, with the broader aim of strengthening the economic recovery. The Dutch are still doing well in most areas of social sustainability. The crisis in education has been acknowledged, but policy interventions largely remain incremental rather than representing steps toward needed system reform. Social-inclusion policies have not prevented more families from falling into poverty. In the realm of health policy, the health care inspectorate does not seem up to its task of monitoring and supervising a hybrid public/private health care system. This densely populated country scores low with regard to environmental sustainability. Climate-change policy is on the back burner, energy policies are focused on continued fossil-fuel use at the expense of renewable resources, and environmental and forest conservation has clearly been sacrificed to traditional economic- and agricultural-growth policies.

The Dutch government apparatus struggles to muster reasonable levels of executive capacity and accountability. There are clear and increasing
implementation problems, indicating that the “lean” government may find itself overburdened with intractable problems. Monitoring and coordination efforts are substandard, both with regard to interministerial and agency monitoring. There are increasing problems with the country’s ICT and large-scale (rail, road, water management) infrastructures. The overhasty devolution of central-government functions with concomitant social-security budget cuts may threaten the long-term decentralization of welfare policies to local governments. In the area of public safety and security, a contrary trend toward rapid centralization has led to problems in policing and the judiciary infrastructure (with regard to the court system generally, the management of judges and access to the judiciary).

Recently, the refugee crisis has exacerbated implementation problems and pushed the country’s political mood toward an inward-looking xenophobia. In the realm of executive accountability, weak intra-party democracy and a lack of citizen policy knowledge are causes for concern.

All in all, Dutch politics and policies remain generally sustainable. Some challenges have accumulated, however. For example, the government should seek to untangle policy deadlocks over attempts to address socioeconomic inequalities, integrate citizens more deeply into the policy-preparation process, set goals and priorities in the areas of environmental and economic innovation, restructure policies, solve the looming policing and judiciary-system crises, and enhance local-government and citizen participation in the local implementation of policies.

Key Challenges

The long-term viability of the Dutch polity depends on the way the governance system deals with a number of challenges. The political and economic atmosphere in the Netherlands is permeated by a profound sense of uncertainty. This translates into fear of developments abroad (Russia/Ukraine, ISIS/Middle East, Ebola/West Africa, EU).

Politically, this leads to a divided and increasingly polarized electorate along two parallel cleavages: level of education and attitude toward Europe and the outside world. Highly educated “universalists” prefer the traditionally open Dutch borders, show high levels of social and political trust and confidence, and have a positive attitude toward (more) European integration. By contrast, lower-educated “particularists” prefer closed borders, demonstrate political
and social distrust and a lack of (self)-confidence, and tend to be euroskeptics (and sometimes anti-Islam as well).

Economically, there is a clear division between those who still believe the neoliberal mantras of the last decades and see an as yet unfinished job of future reforms, and those who speak of secular stagnation and a balance-sheet recession.

Breaking the deadlock in economic thinking is a prerequisite for solving the increasing socio-cultural-political cleavage. Doing so, however, will exacerbate these splits, at least in the beginning. In both its 2013 and 2014 advisory reports, the Scientific Council for Government Policy (WRR) sketched out what a shift in economic policymaking would entail. In the 2013 report, the WRR proposed rethinking the structure of the Dutch economy from a typical trading economy with a stress on infrastructure, logistics and (international) financial services to a learning economy in which innovation, a well-educated and flexible workforce, and learning through knowledge exchange would be key.

Two more challenges deserve mention. One of the contradictions of neoliberal policy practices has been the growing rift between freedoms accorded to enterprises and innovation in the corporate world and the decreasing personal privacy and increasing incursion of governmental and commercial activities in the lives of citizens. The results of a recent “stress test” assessing the Dutch political system’s compliance with rule-of-law requirements were particularly worrisome. In all branches of government – legislative, executive, and judicial – strong trends among major political parties and government bureaucracy have signaled that rule-of-law requirements are fundamentally contested, with “wait and see” attitudes too often allowing rule-of-law violations to go on for far too long.

The digitization of everything (tax forms, identity papers, applications for social benefits, communications with local governments, train tickets), frequently without citizens’ prior knowledge or consent, creates an image of the corporate and governmental worlds as a kind of Orwellian data-driven “big brother.” For many Dutch citizens (the “particularists” mentioned above), the care provided by the welfare state has increasingly been replaced by “responsibility” requirements and the prying eyes of a stern government presiding over punitive societal interventions. Moreover, citizens’ opportunities for genuine political participation are limited, as the Dutch government rarely uses digitization for the purposes of consulting citizens or allowing them greater influence over political decision-making.
The country’s new political cleavages – between “particularist” and “universalist” citizens, between adherents of neoliberal and neo-structural economic thought, between freedom for corporations and stricter disciplinary political interventions, and between top-down expert governance and bottom-up citizen political participation – must ultimately overcome if a livable, democratic and sustainable Dutch society is to be created. However, the trends sketched above will render this challenging in the near to medium term.

Citation:

E. Engelen, 2014. De schaduwelite voor en na de crisis - niets geleerd, niets vergeten, Amsterdam University Press


WRR, 2013. Naar een lerende economie. Investeren in het verdienvermogen van Nederland, WRR, Den Haag

Rathenau Instituut (A. Edwards en D. de Kool), Kansen en dilemma’s van digitale democratie, Den Haag, 2015
Policy Performance

I. Economic Policies

Economy

After a long period of recession, the Dutch economy entered a period of fragile recovery in 2014–2015, later than many other European countries. Economic activity, export, consumption, investment and employment levels are all up, and the housing market is climbing; although overall GDP was still 2% below its 2008 level at the time of writing. Inflation rates are exceptionally low, as are interest rates. This is largely due to favorable external circumstances such as low oil prices, low interest rates thanks to European Central Bank (ECB) policies, and a cheaper euro.

The comparative international situation of the Dutch economy still looks fine. In terms of GDP per capita, the Netherlands ranked sixth in the world in 2014. The World Economic Forum’s Global Competitive Index places the Netherlands at rank eight overall (upgraded to sixth place in terms of sustainable competitiveness) with high scores for higher education and training, world-class infrastructure, health and primary education, goods-market efficiency, and technological readiness. The WEF criticized the country for its hiring/firing and wage-determination practices, insufficient access to credit, and an inefficient government bureaucracy.

In sum, although the Netherlands was caught in a long-term slump, recovery has commenced. A very different interpretation of the same state of affairs suggests that in spite of having followed neoliberal economic policies, traditional cycles of economic growth and recovery are no longer to be expected. Therefore, the Scientific Council for Government Policy (WRR) has urged the government to rethink the Netherlands’ long-term economic structure by investing in future earning capacity so as to expedite innovation and make the economy more resilient in terms of labor productivity and transnational value chains.
Labor Markets

In September 2015, 6.8% of the working population was unemployed. Youth unemployment was 11.5%, slightly down from 12% in September 2014. There are still some weak spots: relatively low labor-market participation among migrants, especially youth; few transitions from unemployment to new jobs (especially among workers 50 years old or above); a low average number of hours actually worked by international comparison (despite high levels of labor productivity); a growing dual labor market that separates (typically older) “insiders” with high levels of job security from (both old and young) “outsiders,” who are often independent workers without employees and little to no job security; relatively high levels of workplace discrimination; and high levels of workplace pressure. In terms of labor-market governance, political conflicts between the conservative and progressive liberal parties (VVD and D66) and the labor-affiliated parties (PvdA, SP, PVV) have prevented the passage of any genuinely breakthrough policies. Thus, no substantial reforms to dismissal-protection rules have been implemented (but monetary-compensation rights have been limited); minimum wages have not been reduced (but some have been given a shorter duration); and collective labor agreements have not been reformed.

Citation:
CBS, De Nederlandse Economie, Den Haag, 2014

“Nieuw politiek taboe: de zelfstandige”, in NRC Handelsblad, 10 October 2015

“Jongeren van nu zijn verliezende generatie”, in NRC Handelsblad, 31 March 2015

Taxes

Taxation policy in the Netherlands addresses the trade-off between equity and competitiveness reasonably well. There is horizontal equity in that the taxes levied do not discriminate between different societal groups – especially men and women. The system is fully individualized. The Netherlands has a
progressive system of income taxation which contributes to vertical equity. In general, income tax rates range between 30% and 52%. Personal-income taxes are also levied on businesses that are not subject to the corporate-tax system. The tax system includes only a limited set of deductions; however, one of these, for interest payments on mortgages, is widely considered to be overgenerous and a contributor to the highly level of household debt. Furthermore, there are a number of subsidies that depend on taxable income. The most substantial are subsidies for child care, health care and renting a house. There is a separate tax for wealth.

The Dutch state is taking a number of measures designed to ease budget pressures, including a gradual decrease in allowable mortgage-interest deductions, a decrease in health care and housing-rent subsidies, and a gradual increase of the pension-eligibility age to 67.

Under strong pressure from opposition parties that support but are not a part of the governing coalition, the Rutte II cabinet intended to further simplify the tax system. However, after the political parties that agreed to the tax system (which included both government and opposition parties) gained additional seats in elections for the upper legislative house, this plan was put on hold until after the next elections. Due to the considerable increase in local governments’ implementation responsibilities, a possible shift from national to local taxes has been added to the tax-reform agenda.

Corporate income tax for foreign companies – an aspect of the trade-off between horizontal equity and competitiveness – has also come under political scrutiny. An extensive treaty network that encompasses 90 tax treaties aims at protecting foreign companies from paying too much tax, effectively making the Netherlands a tax haven. Under pressure from the OECD to stop or mitigate treaty shopping and transfer pricing, the Dutch government will gradually have to change these corporate-tax laws for foreign companies.

Citation:

“Meer belasting gemeenten kan en helpt de democratie, in NRC-Handelsblad, 9 April 2015

“Een gat in de dijk van 240 miljard dollar”, in NRC-Handelsblad, 9 April, 2015

Budgets

Budgetary policy was sound prior to 2008. The economic crisis, however, has put severe pressures on the government budget. In 2012 the government came €0.10 short on every €1 of expenditure. The national balance switched from a
surplus in 2008 to a deficit of 4.1% of GDP in 2012 – 0.3% higher than expected. Between 2008 and 2014, the Dutch government followed neoliberal austerity policies to the letter, carrying out several series of tax increases followed by expenditure cutbacks. In both 2014 and 2015, the Dutch budget deficit totaled 2.3% of GDP. During the same period, government debt increased slightly to 68.8% of GDP, well above the EU recommended ceiling of 60%. Although state income from gas exploitation decreased (falling by €4.5 billion due to a reduction in exploitation volume associated with earthquake risks in the northern province of Groningen), higher tax and premium income (increasing by €9.5 billion) compensated for this loss. For the first time in years, no further austerity measures were announced in September 2014; and in 2015 a projected budgetary surplus was immediately spent on a tax decrease which will benefit only working middle-class citizens, as well as a salary increase for civil servants. These measures proved controversial, as they were partially paid for through a decrease in pension premiums, allegedly endangering the financial carrying capacity of the pension funds.

Citation:
Overheidsfinancien, Begrotingsbeleid (www.rijksoverheid.nl/onderwerpen/overheidsfinancien/begroting)
D. Samsom (2012), Keuzes die de samenleving versterken, in Socialisme & Democratie, jrg. 69, nr. 12, pp. 8-12

Research and Innovation

The Netherlands retained its eighth-place showing in the World Economic Forum’s 2015 Global Competitiveness Report, an achievement accounted for by improvements in the country’s innovation-climate, education and health systems, reductions in the regulatory burdens imposed on foreign business, and a growth in patents. On the specific issue of sustainable competitiveness, the Netherlands was given sixth place. The European Union’s Innovation Union Scoreboard 2015 ranked the Netherlands as the best (overtaking Luxemburg) “innovation follower” among a group of EU countries (i.e., Belgium, UK, Austria and France). The Netherlands scores above average in terms of open, excellent and attractive research systems, as well as in scientific-publication output, finances and support, and intellectual aspects such as number of patents. It is unclear whether his national R&D performance is due to government policies (coordinated by the Ministry of Economic Affairs). The country’s policymakers aim to secure the Netherlands a place as one of the top five global knowledge economies, and to increase public and non-public R&D investments to 2.5% of GDP (€650 billion). However, the most recent figures, compiled by the Rathenau Institute, forecast
a decrease in total government R&D expenditures to €5.5 billion, a decline of 7.7%, by 2019. Part of the budget for R&D in the Netherlands is shifting to the EU level, especially through the Horizon 2020 program.

Dutch policies used to focus on the reduction of coordination costs in creating public/private partnerships. In addition, there were substantial amounts of money in innovation credits for start-up companies and R&D-intensive SMEs – four to five times as much as for larger companies. SMEs struggle with obtaining access to bank credits and navigating their way through a maze of regulatory details in obtaining state funds for innovation. Since 2011, national R&D has focused on nine economic sectors identified as a top priority. A special innovation fund for SMEs remains in place.

Citation:
D. Lanser en H. van der Wiel (2011), Innovatiebeleid in Nederland: de (on)mogelijkheden van effectmeting, CPB Achtergronddocument (www.cpb.nl/sites/default/files/publicaties/download/cpb-achtergronddocumenten)

**Global Financial System**

The Intervention Bill, which came into effect in June 2012, includes new powers for the Netherlands’ central bank and minister of finance. The bill grants the former the power to oversee the transferral of a bank or insurer experiencing serious financial difficulty to a third party and grants the latter the authority to intervene in the affairs of financial institutions in order to maintain systemic stability. As a result, the capital ratio of the four largest Dutch banks has gradually moved toward compliance with the new European capitalization requirements. Following a parliamentary inquiry into the country’s handling of the banking crisis, the Center for Economic Policy Analysis now annually produces a risk report on financial markets. Internationally, though, the Netherlands is slowly but surely losing its position among the important bodies that together shape the global financial architecture, like the G-20, the International Monetary Fund (IMF), the World Bank and the European Union. Since November 2010, the Netherlands has no longer been formally represented within the G-20. The United States allows the Netherlands to participate in the G-20 on the condition of continued Dutch involvement in Afghanistan. Other G-20 members are looking for better geographical representation and for emerging economies to replace the “usual
suspects” like the Netherlands. In the IMF, the Netherlands shares its position with Belgium, but in this institution as well as in the World Bank the Dutch will be sidelined in favor of countries representing more important emerging economies. In the European Union, the Netherlands is skeptical about stronger financial governance competencies for the European Union in the sphere of financial support (emergency fund) and bank oversight. On the other hand, as a small but internationally significant export economy, the Dutch have a substantial interest in a sound international financial architecture. However, given the new wave of political skepticism toward international affairs, the Dutch should be regarded more as reluctant followers than as proactive initiators or agenda setters. In addition, the government has been hesitating to deal with gross inequalities in the fiscal treatment of foreign and domestic capital. This may indicate a return to a financial policy agenda driven more by national interests than by broader concern with global financial safety.

Citation:


“Fiscus gaf Starbucks teveel voordeel”, in NRC-Handelsblad, 21 October 2015

“Nederland is hier grootmacht in”, NRC-Handelsblad, 28 October 2015

II. Social Policies

Education

In terms of quality, the average education attainment level for the population is rising, exceeding in 2009 the OECD average. School dropout rates have been on the decline for years (15.5% in 2000, 12% in 2007), and the number of those entering the labor market with an education certification (“basiskwalificatie,” or “basic qualification”) has been on the rise (71.9% in 2000, 76.2% in 2007). The student/teacher ratio is somewhat lower than the OECD average for primary education, but considerably higher for secondary education. A growing number of understaffed secondary education institutions are struggling with overworked educators and dwindling financial resources. Similar to UK schools, Dutch schools are afforded a high degree of autonomy. However, a recent trend toward school mergers and reorganized school-governance systems has eroded the autonomy of individual schools. Nationwide performance testing across all school levels and instituted by the
School Inspectorate has compelled many schools to introduce standardization methods. Most recently, proposals to introduce a basic math-skills test within secondary education, as well as in primary- and secondary-level teacher-training programs, proved controversial. The international PISA test’s comparative school-performance scores (corrected for economic, social and cultural background) rank the Netherlands just above the OECD average. For a country that determines future educational tracks at age 12 and allocates 60% of its children to the lower-categorized school types, it is not surprising that differences in performance arise from differences between (not within) schools (which are far above OECD averages). School performance in the Netherlands has not declined, but there is also no internationally measured progress. The Ministry of Education follows a policy in which individual schools publish their pupils’ performance (as measured by the School Inspectorate), enabling parents to choose the best or most appropriate school for their children on the basis of comparative performance data. Quality-improvement policies – including CITO testing, performance monitoring, efforts to intensify and improve teacher professionalization programs, better transition trajectories between school types, and quality-management systems at school level – do not yet appear to be effective.

The Netherlands continues to struggle with achieving equity in educational access. Although the school performance of pupils of non-Dutch origin has improved over time (in part due to a rise in non-native adults’ educational achievements), these children on average do far less well in science, reading and math than their Dutch-origin peers. Moreover, the gap in this regard is considerably larger than the average within OECD countries. For all pupils, socioeconomic/cultural background determines school performance to a degree above OECD averages; this is particularly true for secondary education, (i.e., after pupils have been tracked at age 12). At the tertiary level, the system of equal access through study grants has been abolished, and every student now pays for university education through low-interest loans. Calculations suggest this will result in an average lifetime income loss of -0.2% for tertiary-level students. The deterrent effect of the new study-loan system will be more substantial among lower-income and ethnically non-Dutch families. All in all, equity in educational access for ethnic groups has not been achieved, and is diminishing at the university level.

The Dutch school system is relatively efficient in terms of resource allocation. Expenditure for education is below average for OECD countries, but the rise since 1996 (in costs per pupil and in average salaries for teachers) is above the OECD average. Average education level and school performance are supposed to have a positive influence on a country’s competitiveness. Relatively high levels of education attainment and school performance in the Netherlands
should theoretically have a positive impact on the country’s competitiveness. And although the Netherlands remains competitive in certain areas, the country’s track-based school system makes it difficult for the education system to adapt quickly to changing labor market needs. As a result, the Netherlands faces a skilled technical labor shortage. The Educational Council, the government’s major advisory body for educational policies, urged the government in a 2014 report to focus attention on structural problems in the educational system such as student transitions between school types and levels. It also urged the government to develop a “curriculum for the future” that would ensure the working population was able to develop skills appropriate to future labor-market needs.

Citation:


Ministerie van OCW, Onderwijs in Cijfers, 2015 (onderwijsincijfers.nl)


“Leren we het goede?”, in NRC-Handelsblad 19 September 2015

CPB Notitie, 11 November 2014. Aflossing en inkomenseffecten studievoorschot (pcb.nl)

Social Inclusion

Income inequality in the Netherlands produces a score of between 0.28 and 0.29 on the Gini Index, and has not changed since 2007. However, wealth inequality has plummeted since 2008, largely because of a decrease in the value of housing stock. Of the country’s 4.3 million home-owning households, 1.4 million had mortgage debts higher than the market value of their house. Levels of health inequality in the Netherlands are high; wealthier and comparatively highly educated people live longer (on average seven years compared to low-income and less-educated populations), with healthier lives. Gender-based income inequality is high: on average, personal incomes among men are 40% higher than personal incomes among women. The risk of poverty has risen again since 2011, with a sharp increase in 2012. The number of households with a consistently (> 4 years) very low income has generally been decreasing since 1996, though it rose from 2.4% in 2011 to 2.7% in 2012 and 3.0% in 2013. The percentage of households with an income lower than the low-income threshold increased from 7.7% in 2011 to 9.4% in 2012, and reached 10.3% in 2014. Observers expect that this represents a peak, and 2015 will have marked the beginning of a decline in the poverty rate. Since 2008,
the beginning of the economic crisis, poverty in the Netherlands has increased by one-third. Single-parent families, ethnic-minority families, migrants and those dependent on social benefits are overrepresented in this poverty-exposed income bracket. One in nine Dutch children was at risk of poverty. Elderly people, until recently rarely exposed to poverty (with the exception of older single women), were also affected by growing poverty rates due to a policy-triggered reduction in the purchasing power of pensions. All in all, the long economic crisis has manifested in higher levels of poverty. However, the risk of poverty and social exclusion in the Netherlands is just 15% (comparable to Sweden only). It should also be noted that the poverty threshold in the Netherlands is far higher than in most other EU countries (Luxembourg excepted). Responsibility for poverty policy in the Netherlands is largely held by municipal governments. Given the budgetary side effects of other decentralization policies, there are clear signs of risk for poverty policy too; for example, local governments have increasingly been tempted to require performance of unskilled labor (street cleaning, park maintenance, etc.) in return for assistance benefits. Moreover, they (too) easily punish benefit recipients for (alleged) fraud and abuse, and sometimes exclude illegal aliens from assistance benefits.

Citation:
CPB/SCP (2014), Armoedesignalement 2014, Den Haag
“Dat opjagen van werklozen maakt armen steeds armer”, in NRC.nl, 10 April 2015

Health

The Netherlands’ hybrid health care system continues to be subject to controversy and contestation. Although the health care system’s expenditure-growth rate fell to a 15-year low from 2012 to 2013, the WHO’s Europe Health Report 2015 shows the Netherlands as the continent’s highest spender on health care, expending 12.4% of GDP. However, Dutch care does not take the highest scores in any of the easily measured health indicators. The health care system, in which a few big health insurance companies have been tasked with cost containment on behalf of patients (and the state), is turning into a bureaucratic quagmire. Psychotherapists, family doctors and other health care workers have rebelled against overwhelming bureaucratic regulation that cuts into time available for primary tasks. Family doctors, paradoxically, were first sued by the Inspectorate for Financial Markets (AFM) because their collaborative, organized resistance against unreasonable tariff demands and administrative duties by the insurance companies was interpreted as illegal
“cartelization”; however, they later won this legal fight. With individual co-payment levels raised to €375, patients are demanding more transparency in hospital bills; these are currently based on average costs per treatment, thereby cross-subsidizing costlier treatments through the overpricing of standard treatments. The rate of defaults on health care premiums to insurance companies and bills to hospitals and doctors is increasing rapidly. All this means that the system’s cost efficiency is coming under serious policy and political scrutiny. Nevertheless, in terms of quality and inclusiveness, the system remains satisfactory.

Mortality as a result of cardiovascular diseases has increased slightly in recent years. While deaths from cancer have increased somewhat, preventive breast-cancer screening for women is nearly universal. Some 4% to 5% of the Dutch population suffers from diabetes. Average life expectancy (79.1 years for males, 82.8 for women) and health-status self-evaluations have remained constant; there are fewer heavy smokers and drinkers, and obesity seems to have stabilized. Patient satisfaction is high (averaging between 7.7 and 7.9 on a 10-point scale), especially among elderly and lower-educated patients. Patient safety in hospitals, however, is a rising concern both for the general public and for the Health Inspectorate. In 2014, the Borstlap Commission’s report clearly revealed that the Health Inspectorate was not adequately performing its regulatory and oversight tasks. The Inspectorate’s independence, information and personnel management has been undermined by scandals, and its organizational culture has proven resistant to criticism.

The level of inclusiveness is very high for the elderly in long-term health care, while the number of drug prescriptions issued is much lower for high-income groups than for low-income groups. However, there is a glaring inequality that the health care system cannot repair: life expectancy for the rich is much longer. In terms of healthy life years, the difference is actually 18 years. Recent research has also revealed considerable regional differences with regard to rates of chronic illnesses and high-burden diseases; differences in age composition and education only partially explain these differences.

In terms of cost efficiency, according to the new System of Health Accounts, the Dutch spend 15.4% of GDP for health care, or €5,535 per capita. This is largely due to the relative amount spent on long-term care – hence the concern among policymakers. On the plus side, it should be mentioned that care costs in 2012 rose by 3.7% – a lower rate of increase than during the previous decade, but higher than in the 2010 – 2011 period. Moreover, the number of people employed in health care was lower than in previous years. Labor productivity in health care rose by 0.6% on an annual basis, with the gains
coming virtually entirely in hospital care, with little in long-term care. Profits for general practitioners, dentists and medical specialists in the private sector increased much more than did general non-health business profits. Part of the costs for health are simply transferred to individual patients. Even with obligatory health insurance, co-payment requirements means that care and medicine costs up to €375 (€360 in 2012) are borne by the patients themselves. Another means of increasing patients’ cost awareness is through increased transparency within health institutions (e.g., rankings with mortality and success rates for certain treatments per hospital). More patients are going to independent treatment centers (ZBC’s) that have an increasing diversity of health care specialties. The struggle for cost efficiency has led to increasing centralization of power at the level of health institutions’ managers and insurance companies, frequently at the expense of health professionals.

Citation:


SER (2012) Naar een kwalitatief goede, toegankelijke en betaalbare zorg, Advies 12/06, uitgebracht aan de Minister van Volksgezondheid, Welzijn en Sport

Commissie Borstlap, Het rapport van de onderzoekscommissie intern functioneren NZa, 2 September, 2014

“We vertrouwen de dokter blind en de zorg voor geen meter. Hoe komt dat?”, in De Correspondent, 10 August 2015

“Toezicht op de zorg is een flipperkast”, in NRC-Handelsblad, 24 September 2015

Families

Family policy in the Netherlands is formally characterized by the need to recognize a child’s best interests and to provide support for the family and the development of parenting skills. In practice, however, child support for families is an instrument designed to improve parents’ labor-market participation. Enabling a work-family balance is less of a guiding policy principle. All Dutch families receive child allowance depending on the number of children. In 2013, child allowances were not indexed for inflation. In 2015, one in 10 Dutch children lived in poverty, leading to social exclusion due to the lack of money for items such as sports-club memberships, musical education or scouting events. According to EU-28 data, the Dutch spend approximately 32% of GDP on social protections (health care, old age, housing, unemployment, family), just 4% of which spent on family costs (compared to an EU-28 average of 8%). Day care centers for young children
are not directly subsidized, but parents face steeply increasing transaction costs based on higher contributions for higher taxable income. The government has established an extensive system of child protection through its policy of municipally based “close to home” youth and family centers (almost all of which had commenced operation by 2012), which are tasked with establishing a system of digital information related to parenting, education and health for every child. Nevertheless, parents complain about lack of access and lack of information to youth and family centers. Local governments have in some cases violated decision-making privacy rules in the allocation of youth-care assistance. In recent years, there were several scandals involving the death of very young children due to parental abuse undetected as a result of uncoordinated and/or belated interventions by youth-care organizations. Beginning in January 2009, parental leave for mothers was extended from 13 to 16 weeks. Parental leave for fathers is two days, the lowest such benefit in Europe after Ireland and Albania. In the case of divorce, parents are obliged to submit a parenting plan to the court with agreements on the division of child care tasks. This appears to have raised the share of acrimonious divorces. According to the OECD, around two-thirds of Dutch working women (including many with high levels of education attainment) choose part-time jobs, which brought down the country’s average working time to one of the lowest such levels in the OECD. Full-time female labor-force participation is hindered mainly by a high marginal effective tax burden on second earners, reflecting the withdrawal of social benefits according to family income.

Citation:
Netherlands Youth Institute (2012), Youth Policy in the Netherlands, Family and parenting support (www.youthpolicy/yp/Youth-Policy)
Nederlands Jeugd Instituut. Kennis over jeugd en opvoeding, nji.nl (consulted 22 October 2015)
“Ons vaderschapsverlof is hopeloos ouderwets”, in NRC-Handelsblad, 28 August 2015
http://www.rijksoverheid.nl/onderwerpen/vrouwenemancipatie/arbiedsparticipatie-van-vrouwen
http://www.rijksoverheid.nl/nieuws/2013/03/05/arbiedsparticipatie-ouders-met-jonge-kinderen-redelijk-stabieln-2012.html
Pensions

Since 2007, the pension age has increased incrementally from 61.0 to 63.9 in 2013. In that year, 73,000 people stopped working in order to draw pensions. The Dutch pension system is based on three pillars. The first pillar is the basic, state-run old-age pension (AOW) for people 65 years and older. Everyone who pays Dutch wage tax and/or income tax and who is not yet 65 pays into the AOW system. The system may be considered a “pay-as-you-go” system. In comparison to other European countries, this pillar makes up only a limited part of the total old-age pension system in the Netherlands. Because the current number of pensioners will double over the next few decades, the system is subject to considerable and increasing pressure. The second pillar consists of the occupational pension schemes which serve to supplement the AOW scheme. The employer makes a pension commitment and the pension scheme covers all employees of the company or industry/branch. The third pillar comprises supplementary personal pension schemes that anyone can buy from insurance companies.

Although the system is considered the best after those in Denmark and Australia, like most European systems, it is vulnerable to a rise in the aging population and disturbances in the international financial market. As of 2013, the government will gradually increase the age AOW pension eligibility to 66 by 2018 and 67 by 2021. For supplementary pension schemes, the retirement age rose to 67 in 2014. As a result of the financial crisis and very low interest rates, pension fund assets have been shrinking. At the same time, however, the liquidity ratio of pension funds must be maintained at a minimum of 105%. The timeframe for recovery after a decrease of the minimum liquidity ratio was increased by the Dutch national bank from three to a maximum of five years. In spite of this, quite a few pension-insurance companies had to lower benefits from 0.5% to as much as 7% per year. Interim framework bills for strengthening the governance of pension funds (conditions for indexation of pension benefits, pensioners in the government board, oversight commissions, comparative monitoring) were adopted by parliament in the summer of 2014. A more definitive reform of the Dutch pension system will be proposed following a website-facilitated national dialogue on pensions in four deliberative meetings between the government and all stakeholders. Debate will focus on redistributional impacts (on the poor and rich, young and older, high and low education) and on the creation of more flexible pension schemes that give individuals more choice opportunities versus retaining collectively managed pension schemes. Meanwhile, the government has decreased pension premiums (increasing disposable income for the working population), and has made pensions over €100,000 fully dependent on voluntary agreements between employers and employees.
Integration

In 2011, the Netherlands ranked fifth in the Migrant Integration Policy Index, which compares 37 industrial countries; in 2015 the county ranked 15th (on a self-compiled composite index with eight equally weighted criteria). The country scores relatively high on measures of labor mobility and access to citizenship for migrants; but low on measures of access to family reunions and permanent residence. It attains average scores for criteria including education, anti-discrimination policy, health and political participation. A plurality of Dutch citizens (42%) believe the Netherlands would be a “nice” country with fewer immigrants; 31% disagree with this statements; and 27% have no opinion or do not know.

As 4% of the population is foreign-born, the Netherlands is a sizable immigration-destination country, with a considerable integration task. Integration policy was a political bone of contention until 2008, and has since become a less contested policy field. Since 2009, all non-EU nationals who immigrate to the Netherlands are required to learn the Dutch language and develop knowledge about Dutch society. The Civic Integration Abroad policy requires obligatory integration tests in the country of origin for family reunion applicants. However, Human Rights Watch stated that this poses some concerns because it clearly applies only to family migrants from certain nationalities, mainly from non-Western countries. The number of applications decreased and further financial restrictions (€350 for each time the test is taken) infringed upon the right to family life. After one family applicant successfully brought a case before the European Court of Justice in March 2010, family-reunion policy became more clear and coherent.

Compared to other countries, immigrants benefit from several measures targeting employment security and labor market integration. Nevertheless,
unemployment rates among non-Western migrants are three times as high (16%) as among nationals (5%). This difference is somewhat less pronounced within the 15- to 24-year-old age group (24% vs. 11%). One in three migrant youths without a formal school qualification is jobless. Obviously, disadvantages increase in pace with economic decline; employers can be more selective under conditions involving a larger supply of job seekers, affording greater space for prejudice and discrimination. Prime Minister Rutte prompted considerable criticism when he publicly stated that the government can do little to fight discrimination, and appealed to younger migrants to simply do better and work harder. Minister for Social Affairs Asscher announced special efforts to tackle unemployment among migrant youths. In terms of political participation, the Netherlands performs well with regard to the liberty afforded to immigrants in forming associations and political parties. Nonetheless, applicants for national citizenship can be rejected for not participating in the mandatory Naturalization Day ceremony. In May 2014, the Rutte-Asscher government formally withdrew a bill to criminalize illegal residence in order to speed up the re-emigration process to the country of origin.

Citation:
T. Huddlestone et al., Migrant Policy Integration Index (2011) (www.mipex.eu)
Burgerperspectieven 2015/2, Sociaal Cultureel Planbureau, June 2015
Aanpak Jeugdwerkloosheid werpt vruchten af: 23.000 jongeren aan de slag geholpen, Ministerie van SZW, Nieuwsbericht 31 March 2015 (rijksoverheid.nl, consulted 22 October 2015)
Additional references:
http://www.scp.nl/Publicaties/Terugkerende_monitors_en_reeksen/Monitor_Integratie
http://www.scp.nl/Publicaties/Alle_publicaties/Publicaties_2012/Jaarrapport_integratie_2013

Safe Living

Data from 2010 show that confidence in the police is high; satisfaction regarding policy performance is fairly high (28% of those polled express that they are “very satisfied”). In 2015, the Dutch government spent €10 billion (down €3 billion from 2010) on public order and safety (police, fire protection, disaster protection, judicial and penitentiary system) – an amount that has been approximately stable since 2008. The Integral Safety Monitor for 2010 reported that the one in four people among the population aged 15 years and over claimed to have been the victim of commonly occurring crimes (such as vandalism, fraud or violence); in 2014, this had decreased to one in five. The longer-term trend (2005 – 2014) shows a decrease in self-reported victimhood by one-third. However, less than 40% of all crimes committed are actually
reported to the police; indeed, citizens likelihood of reporting crimes is decreasing. Cybercrime rates (hacking, Internet harassment, commercial and identity fraud) continue to increase. The dissemination of illegal cryptographic software and phishing have become standard in the cybercriminal business model. While no exact data exists, experts estimated that in 2013, 12% of Netherlands residents older than 15 were victims of cybercrime; among the 15- to 25-year-old age cohort, this rate was estimated at 20%. In research commissioned by McAfee, the American Center for Strategic and International Studies estimated that cybercrime creates damage to the Dutch economy totaling approximately €8.8 billion per year (or 1.5% of GDP).

Since 2008, the feeling of vulnerability among the public is slightly decreasing; however, younger women in particular report feeling feelings of vulnerability and fear on a regular basis. Per case prosecution costs have declined, while victim-support expenses have gone up considerably. Officially reported crime has declined. Moreover, since 2007, an average of one in four reported crimes has led to the identification and/or arrest of perpetrators.

Since 2011, the Dutch government has been implementing an EU-coordinated National Cybersecurity Strategy that prioritizes prevention over detection. Regarding terrorism threats, the intelligence services (Nationale Coördinator Terrorismebestrijding, established 2004) appear able to prevent attacks. Fighting terrorism, extremism and anticipating political radicalization and transboundary criminality have increased in priority. The policies of the present government focus on cost reduction and the centralization of the previously strictly municipality- and region-based police, judicial and penitentiary systems. Judges and other legal personnel have voiced public complaints about the “managerialization” of the judicial process and the resulting overburdening workload for judges, leading to “sloppy” trials and verdicts. The government intends to save €85 million in 2018 by cutting legal assistance to (poor) citizens. Government policy is attempting to relieve part of the burden on the judicial system by introducing intermediation procedures. Despite frequently occurring large fires in industrial complexes, spending on fire and disaster protection remains unaltered.

Citation:


Cybersecuritybeeld Nederland CSBN 2015, Ministerie van Veiligheid en Justitie (rijksoverheid.nl)

Evaluatierapport van de zevende wederzijdse evaluatie “De praktische uitvoering en toepassing van het Europese beleid inzake preventie en bestrijding cybercriminaliteit”. Rapport Nederland, Raad van de Europese Unie, Brussel, 15 April 2015 (zoek.officiële bekendmakingen.nl, consulted 26 October 2015)
Global Inequalities

Since 2011, Dutch development aid has been cut first to 0.7% of GDP (€4.5 billion), and again in 2014 to €3.5 billion. The Netherlands’s ranking in the Commitment to Development Index fell from second place in 2005 to seventh place in 2014. Aid is no longer focusing on poverty reduction, and will instead be concentrated on about 10 countries in the categories of (a) countries too weak to achieve the U.N. Millennium Goals independently, (b) fragile states in terms of rule of law, and (c) emerging economies. The driving idea is that “economic diplomacy” can forge a coalition between Dutch business-sector experts (in reproductive health, water management and food security/agriculture) and business and civil-society associations in developing countries. Expenditures on international conflict management have been added to the diminishing state budget for development aid. No cutbacks in the areas of women’s rights or emergency aid have been made. Good-governance aid will be focused on helping developing countries to improve taxation systems. Following OECD guidelines, there will be a reassessment of the negative side effects of Dutch corporate policies in developing countries. The Dutch policy response to the recent refugee crisis has mimicked Denmark’s efforts, seeking to discourage refugees from coming to the Netherlands. All of this shows declining commitment by the Dutch government to global policy frameworks and a fair global-trading system; the aspiration is instead to link development aid to Dutch national economic- and international-safety interests.

Citation:
NCDO, Het Nederlandse ontwikkelingsbeleid. De feiten op een rij, juni 2012 (www.ncdo.nl/sites/default/files/Factsheet%20ontwikkelingsbeleid_0pdf)
WRR (2010), Minder pretentie, meer ambitie. Ontwikkelingshulp die verschil maakt, Amsterdam University Press
Nieuwe agenda voor hulp, handel en investeringen, april 2013 (www.rijksoverheid.nl/nieuws/2013/05/04/nieuwe-agenda…)
Center for Global Development, Commitment to Development Index, 2015 (cgdev.org, consulted 26 October, 2015)

Additional references:
Volkskrant, 24 februari 2014, 15 procent ontwikkelingshulp in Nederland gebruikt (volkskrant.nl, consulted 19 October 2014)
III. Environmental Policies

Environmental policy is no longer a significant issue among the public in the Netherlands. According to a 2011 Eurobarometer study, only about half of the population supports a progressive environmental policy (e.g., one that addresses climate change, with a sustainable energy policy). Climate skepticism has won a voice in the States General through the People’s Party for Freedom and Democracy (Volkspartij voor Vrijheid en Democratie, VVD) and the Party for Freedom (Partij voor de Vrijheid, PVV) Although the Dutch government speaks the language of sustainable growth, this is largely rhetorical, as GDP growth and job creation clearly have priority over sustainability criteria reflecting environmental and social concerns.

Climate-change mitigation (CO2 reduction) no longer has a top priority; indeed, the Netherlands now is one of the top-10 polluting countries in the European Union. There is a clear policy shift toward climate adaptation; this appears manageable today because any adverse developments in the Netherlands will be gradual. Lower growth rates have meant that the government has made very modest investments in energy efficiency and renewable energies in service of the EU’s 2020 climate goals, which it is expected to meet. The Dutch government has resisted more ambitious climate goals in international negotiations. The so-called Energy Pact of summer 2013, welcomed as a decisive step toward an energy transition, suffered from very considerable implementation gaps and delays after only one year. In 2015 the General Audit Chamber and many other NGOs observed that the goals set in the Energy Pact are no longer feasible. Strikingly, in a case brought by climate NGO Urgenda, a civilian court recently ruled against the Dutch government for showing insufficient effort in terms of CO2-emissions reduction and in its energy policies more broadly. The Netherlands’ natural-gas reserves are diminishing rapidly, and will necessitate gas imports from 2025 onward despite decreasing demand. Meanwhile, earthquakes and soil subsidence are damaging houses in the northern provinces where the Dutch gas reserves are located. The government has introduced compensation measures for victims.

The recently implemented Delta Program dealt with climate risks and the associated risks and uncertainties related to flood safety, freshwater availability and urban development.
Forest area and biodiversity protection are more or less neglected aspects of climate-change policy. Plans for expanding the National Ecological Network in order to protect and enhance biodiversity have been abandoned or toned down. Nature-conservation policy has for years been subject to financial cutbacks and subordinated to farmers’ economic interests under policies dating back to the Rutte-Verhagen (Rutte I) government.

Citation:

PBL, 2014, Nationale Energieverkenning 2014 (pbl.nl)

PBL, 3 June 2015, “Transitie naar schone economie in 2015 vergt scherpe klimaattrein voor 2030” (pbl.nl consulted 26 October 2015)

Algemene Rekenkamer, Rapport Stimulering van duurzame energieproductie (SDE+). Haalbaarheid en betaalbaarheid van beleidsdoelen, 16 April 2015 (rekenkamer.nl consulted 26 October 2015)

“De rechter verplichtte de staat tot meer klimaatactie. Wat is er met het vonnis gebeurd?”, Jelmer Mommers, in De Correspondent, 17 September 2015.

Global Environmental Protection

The Dutch government has traditionally been a strong supporter of EU leadership in the Kyoto process of global climate policy and advancing global environmental protection regimes like UN Environment Program, IMF World Economic Outlook, Convention on International Trade in Endangered Species and many others. It has also signed related international treaties on safety, food security, energy and international justice. The government keeps aspiring to a coherent sustainability policy or a “policy agenda for globalization.” The government sees resource and energy scarcity, transborder disease control, climate change, transborder crime and international trade agreements as the great global issues. A coherent globalization policy also means research and monitoring of the undermining impacts of one policy on another policy. In spite of this intention, Dutch reassessment of development aid appears to favor bilateral over multilateral global sustainability policy. For example, the financing of Dutch initiatives in advancing global public goods is no longer separately budgeted, but is instead part of the diminishing development aid budget. Military aspects have been added to the International Safety Budget, which previously contained only diplomatic and civic activities. Recently, the Dutch government contributed €30 million to international efforts to fight the Ebola outbreak in West Africa. It bears mentioning, though, that defense spending in response to the revival of NATO in Europe and the threats of ISIS in the Middle East will increase by €100 million per year in the years to come.
Citation:
Kabinetsreactie op het WRR-rapport: Minder pretentie, meer ambitie (2010)
(www.eerstekamer.nl/id/vimdknvxxfz/document-extern/briefmp110112)

Additional reference:
http://www.aiv-advies.nl/ContentSuite/upload/aiv/file/webversie_AIV%2084_NL.pdf

Rijksbegroting 2015 Defensie (rijksoverheid.nl, consulted 23 October 2014)

Nationale en international acties om ebola te bestrijden (rijksoverheid.nl, consulted 23 October 2014)
Quality of Democracy

Electoral Processes

The Netherlands ranks third (after Norway and Germany) in the 2014 Perceptions of Electoral Integrity Index. Its highest scores are in the areas of electoral laws and electoral procedures; it achieves somewhat lower scores in the areas of voter registration and party and candidacy registration. The country’s electoral law and articles 53 through 56 of the constitution detail the basic procedures for free elections at the European, national, provincial and municipal levels. The independence of the Election Council (Kiesraad) responsible for supervising elections is stipulated by law. All Dutch citizens residing in the Netherlands are equally entitled to run for election, although some restrictions apply in cases where the candidate suffers from a mental disorder, a court order has deprived the individual of eligibility for election, or a candidate’s party name is believed to endanger public order. Anyone possessing citizenship – even minors – can start a political party with minimal legal but considerable financial constraints. In the local elections of 2014, a considerable number of voters took selfies in the ballot booth in which their ballot-sheet votes were clearly visible. The Electoral Council later ruled that selfies were permitted, but only when the ballot sheet was not visible, as this violated the secrecy rule. Some argue that party-membership and party-caucus rules strongly diminish formal equality with regard to electoral-system accessibility. Political parties with elected members receive state money (subsidies and other benefits), while qualifying as a new party necessitates payment of a considerable entry fee.

Citation:
Perception of Electoral Integrity Index, 2014 (www.electoralintegrityproject.com)
Eerlijke verkiezingen (eerlijke verkiezingen.nl, consulted 26 October 2015)

The Media Law (Article 39g) requires that political parties with one or more seats in either chamber of the States General be allotted time on the national broadcasting stations during the parliamentary term, provided that they participate in nationwide elections. The Commission for the Media ensures that political parties are given equal media access free from government influence or interference (Article 11.3). The commission is also responsible for
allotting national broadcasting time to political parties participating in European elections. Broadcasting time is denied only to parties that have been fined for breaches of Dutch anti-discrimination legislation. The public prosecutor is bringing discrimination charges against Geert Wilders, the leading member of parliament representing the Party for Freedom. However, individual media outlets decide themselves how much attention to pay to political parties and candidates. Since 2004, state subsidies for participating in elections have been granted only to parties already represented in the States General. Whether this practice constitutes a form of unequal treatment for newcomers is currently a matter of discussion.

Contrary to other civil rights, the right to vote in national, provincial or water board elections is restricted to citizens with Dutch nationality of 18 years and older (as of election day). For local elections, voting rights apply to all registered as legal residents for at least five years. Convicts have the right to vote by authorization only; as part of their conviction, some may be denied voting rights for two to five years over and above their prison terms. Since the elections in 2010, each voter is obliged to show a legally approved ID in addition to a voting card. Legally approved IDs are a (non-expired) passport or drivers’ license.

Citation:
art J24 Kieswet:
http://wetten.overheid.nl/BWBR0004627/AfdelingII/HoofdstukJ/6/ArtikelJ24/geldigheidsdatum_24-05-2013

art 1 Wet op Identificatieplicht:
http://wetten.overheid.nl/BWBR0006297/geldigheidsdatum_24-05-2013#HoofdstukI_Artikel1

Until about a decade ago, political-party finances were not a contested issue in Dutch politics. However, newcomer parties like the Pim Fortuyn List (Lijst Pim Fortuyn, LPF), and later the Party for Freedom (Partij voor de Vrijheid, PVV) received substantial financial from businesses and/or foreign sources, while the Socialist Party (Socialistische Partij, SP) made its parliamentarians financially dependent on the party leadership by demanding that their salaries be donated in full to the party.

As government transparency became a new general political issue, these glaring opacities in the Dutch “non-system” of party financing were flagged by the Council of Europe and the Group of Countries against Corruption (GRECO) – resulting in increasing pressures to change the law. Political expediency caused many delays, but the Rutte I Council of Ministers introduced a bill on the financing of political parties in 2011.

This new law eradicates many – but not all – of the earlier loopholes. Political parties are obliged to register gifts starting at €1,000, and at €4,500 they are
obliged to publish the name and address of the donor. This rule has been opposed by the PVV as an infringement of the right to anonymously support a political party. Direct provision of services and facilities to political parties is also regulated. Non-compliance will be better monitored, and an advisory commission on party finances will counsel the minister on politically sensitive issues. The scope of the law does not yet extend to provincial or local political parties. The law’s possible discrimination against newcomer political parties remains an unresolved issue.

Citation:
Wet financiering politiek partijen: einde in zicht - maar wat een gaten! (montesquieu-instituut.nl, consulted 5 november 2014)

Binding popular initiatives and referendums are unlawful both nationally and subnationally, as they are considered to be incompatible with the representative system in which voters transfer their sovereignty to their elected representatives.

At the municipal level, many experimental referendum ordinances have been approved since the 1990s, but the national government has prohibited several ordinances that it alleged gave citizens too much binding influence on either the political agenda or the outcome of political decision-making.

At national level, the issue has been on the political agenda since the 1980s. Under pressure from new populist political parties, the Dutch government organized a consultative referendum on the new European Constitution in 2005, using an ad hoc temporary law. With turnout of 63.3% of the eligible electorate, this constitution was rejected by a clear majority of 61.5%, sending shockwaves through all EU member states and institutions.

In September 2014, a bill for an advisory referendum on laws and treaties passed the Senate and was implemented on 1 July 2015. Adopted by parliament, signed by ministers and the monarch, this measure allowed for a non-binding referendum on the issue, which involved the mobilization of a minimum of 10,000 votes within a period of four weeks. Following this, another 300,000 citizens signed up to support the initial request within a further six weeks. Geen Peil, an ad hoc anti-EU organization, successfully mobilized enough votes for an advisory referendum on the provisional EU association treaty with Ukraine, which was signed by the Dutch government. However, binding referendums are not allowed, as they would require a formal amendment to the Dutch constitution, first through a normal majority in both chambers, and next after elections by a two-thirds majority in both chambers.

Citation:
Access to Information

The freedoms of the press/media and expression are formally guaranteed by the constitution (Article 7). The Reporters Without Borders Press Freedom Index 2015 ranks the Netherlands in fourth place after Finland, Norway and Denmark. The somewhat lower score (compared to previous years) is due to “self-censorship” practiced by Dutch journalists on sensitive issues such as immigration and religion. Public-broadcasting programming is produced by a variety of organizations, some reflecting political and/or religious denominations, others representing interest groups. These independent organizations are allocated TV and radio airtime that is relative to their membership numbers. However, broadcasting corporations are required to comply with regulations laid down in amendments to the 2008 Media Law made in 2015. This new law abolished the monopoly of the incumbent public-broadcasting corporations, and created a coordinating National Public Broadcasting Organisation (NPO) that tests and allocates broadcasting time. “Entertainment” is no longer a domain for public broadcasters, falling instead to private programmers. NPO administrators are nominated by a supervisory body. The bill is criticized for its lack of budgetary considerations, and critics have charged that younger people and non-Dutch population groups will no longer be served by the public broadcasters.

The problem in all this is that “public” media have become increasingly indistinguishable from the private media; moreover, traditional or conventional media have become increasingly less due to market shifts and increasing internationalization. People under the age of 32 consume (paper) media at ever-shrinking rates, while their use of YouTube channels rises quickly. The scope of regional media is shrinking dramatically. Existing, often international media enterprises increasing follow multichannel strategies. Although media policy still formally distinguishes between policies for the written press and policies for broadcasting organizations, this distinction appears outmoded.

Citation:
Media en publieke omroep, 2014. (rijksoverheid.nl., consulted 23 October 2014)
NRC Handelsblad, Dekker zegt publiek rtv vriendelijk vaarwel, dd. 17 October 2014
The Dutch media landscape is very pluralistic but nonetheless subject to the same development as in other countries: a gradual narrowing of media ownership, which has been aggravated by the present financial economic crisis, internationalization and rapid commercialization. On the other hand, availability of (foreign and national) web-based TV and radio has increased tremendously. The Dutch media landscape is characterized by one of the world’s highest newspaper-readership rates. Innovations in newspaper media include tabloids, Sunday editions, and new-media editions (online, mobile phone, etc.). On a regional level, the one-paper-city model is now dominant; there are even several cities lacking local papers altogether.

The degree of ownership concentration in the print media is high. Three publishers control 90% of the paid newspapers circulated, and foreign ownership of print media outlets is growing. As the circulation of traditional magazines decreases, publishers are launching new titles to attract readers. There are currently at least 8,000 different magazine titles available for Dutch readers. The Finnish publisher Sanoma publishes more than half of the general-interest magazines circulated. Print outlets – both newspapers and magazines – carry a high share of advertising, but this is declining. There are several public and private television and radio stations at the national, regional and local levels. The three public channels continue to lose viewers. The Netherlands also shows one of Europe’s highest rates of cable TV penetration (about 95%). Finally, Internet usage rates in the Netherlands are high, and many people are connected through broadband (almost 50% of Dutch households). Ten million Dutch use the Internet on a regular basis, amounting to almost 95.5% of the population over six years old.

Citation:
Media Monitor:
http://www.mediamonitor.nl/
P. Bakker, 30 jaar kranten in Nederland: consolidatie en monopolievorming, in mediamonitor.nl, consulted 5 November 2014

The Government Information (Public Access) Act (WOB) governs both active and passive public access to information. Under the WOB, any person can demand information related to an “administrative matter” if it is contained in “documents” held by public authorities or companies carrying out work for a
public authority. Information must be withheld, however, if it would endanger the unity of the Crown, damage the security of the state, or particularly if it relates to information on companies and manufacturing processes that were provided in confidence. Information can also be withheld “if its importance does not outweigh” the imperatives of international relations and the economic or financial interest of the state. Between 2010 and 2012, access to government information became a politically contested issue. In practice, the law was used more and more to justify withholding of information to citizens and journalists in the name of “state interest,” which usually referred the desire to retain the confidentiality of intra-government consultation. On the other hand, local governments accused citizens of improper use of the WOB at the expense of public monies and time. The issue had not been resolved by 2015, although political parties D66 and the Green Left introduced a new bill stressing “active transparency.”

Citation:
Aanpak oneigenlijk gebruik WOB, in vng.nl. consulted 5 November 2014
“Einde misbruik WOB nog niet in zicht”, Binnenlands Bestuur, 13 April 2015

Civil Rights and Political Liberties

The Netherlands guarantees and protects individual liberties, and all state institutions respect and – most of the time – effectively protect civil rights. The Netherlands publicly exposes abuses and reports them to the U.N. Human Rights Council or the EU. It cooperates with the monitoring organizations of all international laws and treaties concerning civil liberties signed by the Dutch government. However, on a number of counts, there are developments worthy of concern. The right to privacy of every citizen tops the list of preoccupations. Dutch citizens are more at risk than ever of having their personal data abused or improperly used. In addition, current policies regarding rightful government infringement of civil rights are shifting from legally well-delineated areas like anti-crime and terrorism measures toward less clearly defined areas involving the prevention of risky behavior (in personal health, education, child care, etc.) and travel behavior. There is an urgent need to rethink privacy rights and the broad use of policy instruments within the context of the information revolution. Human Rights Watch has criticized recent Dutch legislation restricting the rights of asylum seekers, and efforts by the incumbent government to deny shelter, clothes and food to irregular migrants. Recently, the Council of State was criticized for failing to uphold the rights of asylum seekers in appeals to government decisions. On the other hand, the Dutch government withdrew a bill that would have criminalized illegal residence, allowing authorities to put those lacking residence permits in jail.
All the usual political liberties (of assembly, association, movement, religion, speech, press, thought, unreasonable searches/seizures and suffrage) are guaranteed by the constitution. The Netherlands is a signatory to all pertinent major international treaties (Universal Declaration of Human Rights, International Covenant on Civil and Political Rights, European Convention on Human Rights). All relevant ranking institutions, such as The Economist’s Intelligence Unit Democracy Index and the Freedom House ranking of political liberties, consistently list the Netherlands as one of the leading countries in the world in this area. However, the protection of privacy rights is in practice increasingly subject to political attention and public debate. The Expert Body on the Protection of Privacy Data (College Bescherming Persoonsgegevens) has identified a growing number of deliberate or unintended infringements of the constitutional right to privacy.

The Netherlands is party to all the important international anti-discrimination agreements. A non-discrimination clause addressing religion, life philosophy, political convictions, race, sex and “any other grounds for discrimination” is contained in Article 1 of the Dutch constitution. An individual can invoke Article 1 in relation to acts carried out by the government, private institutions or another individual. The constitutional framework has been specified by several acts that also refer to the EC Directives on equal treatment. In total there is a high degree of protection even though the definition of indirect discrimination provided by the European Commission has not been adopted by the Dutch legislature, and many regulations avoid the term “discrimination” in favor of “distinction” (with less negative connotations in a religiously and culturally diverse society like the Netherlands). A recent expert report criticized Dutch anti-discrimination sanctions as “ineffective,” and as neither “dissuasive” nor “proportionate.” In 2013, the U.N. Human Rights Commission got involved in contentious political debates about the discriminatory character of “Black Pete” that appears in traditional St. Nicholas day celebrations.

In other respects, Dutch legislation has gone beyond what is required by EU directives. In terms of policy, the Dutch government does not pursue
affirmative action to tackle inequality and facilitate non-discrimination. Generally, the government relies on “soft law” measures as a preferred policy instrument.

Citation:

Zwarte Piet heeft zijn glans verloren (trouw.nl, consulted 5 November 2014)

Rule of Law

Dutch governments and administrative authorities have to a great extent internalized legality and legal certainty on all levels in their decisions and actions in civil, penal and administrative law. In the World Justice Project the Netherlands ranks fifth in a rule of law index.

However, in a recent “stress test” examining the state’s performance on rule-of-law issues, former Ombudsman Alex Brenninkmeijer argued after a comprehensive review that particularly in legislation, but also within the administrative and judicial systems, safeguards for compliance with rule-of-law requirements are no longer sufficiently in place. In legislative politics, no appeal to a constitutional court is possible, making the Netherlands (along with the UK) an exception in Europe. The trend is to bypass new legislative measures’ rule-of-law implications with an appeal to the “primacy of politics” or simply “democracy”, and instead await possible legal action in the form of appeals to European and other international treaties long after political adoption, during policy implementation. The country’s major political party, the conservative-liberal People’s Party for Freedom and Democracy (VVD), has proposed to abolish the upper house of the States General, and with it the legal assessment of Dutch bills on the basis of the legal obligations assumed under international treaties. Within the state administration, the departmental bureaucracy submits far too often to managerial considerations while neglecting legal arguments against implementation. For example, even though the number of prosecuted crimes is relatively low, legal sanctions are rarely enforced. Paradoxically, fiscal and social-security agencies have become exceptionally punitive toward ordinary citizens, not just in cases of fraud, but also in cases of forgetfulness or error. There is evidence that in some cases the accumulation of so-called administrative sanctions has driven people into poverty. Within the judicial system, the lack of system-level support for normal application of the rule of law is apparent in the increase in court-registry fees for citizens seeking legal-dispute settlements, the considerable financial cutbacks and incoherent reforms throughout the entire judicial infrastructure, and the weak application of administrative-law criteria in areas
where administrative agencies have discretionary power. All in all, there are strong tendencies in the House of Representatives and within the political parties toward seeking to override, in the name of the primacy of politics and democracy, judges’ right to veto or annul political decisions on the basis of rule-of-law principles.

Citation:
A. Brenninkmeijer, Stresstest rechtsstaat Nederland, in Nederlands Juristenblad, 16, 24 April 2015, pp. 1046-1055

Judicial review for civil and criminal law in the Netherlands involves a closed system of appeals with the Supreme Court as the final authority. However, unlike the U.S. Supreme Court, the Dutch Supreme Court, is barred from judging parliamentary laws in terms of their conformity with the constitution. A further constraint is that the Supreme Court must practice cassation justice – that is, its mandate extends only to ensuring the procedural quality of lower-court practices. Should it find the conduct of a case (as carried out by the defense and/or prosecution, but not the judge him/herself) wanting, it can only order the lower court to conduct a retrial. It ignores the substance of lower courts’ verdicts, since this would violate their judges’ independence. Public doubts over the quality of justice in the Netherlands have been raised as a result of several glaring miscarriages of justice. This has led to renewed opportunities to reopen tried cases in which questionable convictions have been delivered. Whereas the Supreme Court is part of the judiciary and highly independent of politics, administrative appeals and review are allocated to three high councils of state (Hoge Colleges van Staat), which are subsumed under the executive, and thus not independent of politics: the Council of State (serves as an advisor to the government on all legislative affairs and is the highest court of appeal in matters of administrative law); the General Audit Chamber (reviews legality of government spending and its policy effectiveness and efficiency); and the ombudsman for research into the conduct of administration regarding individual citizens in particular. Members are nominated by the Council of Ministers and appointed for life (excepting the ombudsman, who serves only six years) by the States General. Appointments are never politically contentious. In international comparison, the Council of State holds a rather unique position. It advises government in its legislative capacity, and it also acts as an administrative judge of last appeal involving the same laws. This situation is only partly remedied by a division of labor between an advisory chamber and a judiciary chamber.

Citation:
Justices, both in civil/criminal and in administrative courts, are appointed by different, though primarily legal and political, bodies in formally cooperative selection processes without special majority requirements. In the case of criminal/civil courts, judges are de facto appointed through peer co-optation. This is also true for lower administrative courts, but its highest court, the Council of State, is under fairly strong political influence, mainly expressed through a considerable number of double appointments. State counselors working in the Administrative Jurisdiction Division (as opposed to the Legislative Advisory Division) are required to hold an academic degree in law. Appointments to the Supreme Court are for life (judges generally retire at 70). Appointments are generally determined by seniority and (partly) peer reputation. Formally, however, the Second Chamber (House of Representatives) of the States General selects the candidate from a shortlist presented by the Supreme Court. In selecting a candidate, the States General is said never to deviate from the top candidate.

Citation:

The Netherlands is considered a corruption-free country. This may well explain why its anti-corruption policy is relatively underdeveloped. The Dutch prefer to talk about “committing fraud” rather than “corrupt practices,” and about improving “integrity” and “transparency” rather than openly talking of fighting or preventing corruption, which appears to be a taboo issue.

Research on corruption is mostly focused on the public sector and much more on petty corruption by civil servants than on mega-corruption by mayors, aldermen, top-level provincial administrators, elected representatives or ministers. The private sector and civil-society associations are largely left out of the picture. Almost all public-sector organizations now have an integrity code of conduct. However, the soft law approach to integrity means that “hard” rules and sanctions against fraud, corruption and inappropriate use of administrative power are underdeveloped.

There have been more and more frequently major corruption scandals in the public sector involving top-executives – particularly in (government-commissioned) construction of infrastructure and housing, but also in schools and health care and transport. Transparency problems in the public sector concern job nominations, and salaries for top-level administrators and additional jobs.

In the private sector, 26% of respondents in a recent survey were convinced of the occurrence of corruption in the Netherlands. In dealing with foreign
governments or companies, a majority considered bribes inevitable and “normal.” Van Hulten (2012) notes that bribes and corruption by Dutch companies in foreign countries would amount to some €10 billion annually. In December 2014, the OECD urged the Dutch government to speed up the passage of rules and law-enforcement actions against Dutch companies that violate international anti-corruption rules in their international operations.

In at least three (out of 17) areas, the Netherlands does not meet the standards for effective integrity policy as identified by Transparency International. All three involve preventing corruption and taking sanctions against corruption. In 2015, the government published an Integrated Vision on Preventing and Tackling Corruption, and a bill was proposed for the protection of whistle-blowers.

Citation:
Transparency International Nederland (2015), Nationaal Integriteitsysteem Landenstudie Nederland.
A.J.P. Tiller, Ontwikkelingen rond corruptiebestrijding in Nederland, 2015 (transparency.nl, consulted 2 November 2015)
“Crimineel weet welke agent hij hebben wil”, in NRC-Handelsblad, 11 October 2015

Additional references:
Governance

I. Executive Capacity

Strategic Capacity

The Dutch government has four strategic-planning units. All of these are formally part of a ministry, but their statutes guarantee them independent watchdog and advisory functions.

The Scientific Council for Government Policy (Wetenschappelijke Raad voor het Regeringsbeleid, WRR) advises the government on intersectoral issues of great future importance and policies for the longer term and weak coordination of the work plans of the other strategic planning units. It is part of the prime minister’s Department of General Affairs. Since the reforms and reductions of the strategic advisory councils, the Scientific Council for Government Policy actually remains the only advisory council for long-term strategic-policy issues.

The Netherlands Bureau for Economic Policy Analysis (Centraal Planbureau, CPB) is part of the Department of Economic Affairs. It prepares standard annual economic assessments and forecasts (Centraal Economisch Plan, Macro-Economische Verkenningen), and cost-benefit analyses for large-scale infrastructural projects. In election years it assesses the macroeconomic impacts of political parties’ electoral platforms.

The Netherlands Institute for Social Research (Sociaal-Cultureel Planbureau, SCP) is part of the Department of Public Health, Welfare and Sports. The SCP conducts policy-relevant scientific research on the present and future of Dutch social and cultural issues – for example, political engagement and participation of citizens, media and culture, family and youth, care, housing.

The Netherlands Environmental Assessment Agency (Planbureau voor de Leefomgeving, PBL) is part of the Department of Infrastructure and Environment. It is the national institute for strategic-policy analysis for the
environment, nature and spatial policies.

The directors of these institutes are said to have regular access to Council of Ministers meetings, but their actual influence (or that of their institute’s reports) is not known. Yet since 2009 there has been fairly strong political pressure for instrumental advice, which may be long-term, but is therefore useful for official long-term government policy.

In addition to the major strategic planning units, there are at least two important extra-governmental bodies. Firstly, the fairly influential Health Council (Gezondheidsraad, GR), is an independent scientific advisory body that alerts and advises (whether solicited or unsolicited) government and the States General on the current level of knowledge with respect to public-health issues and health-services research. Secondly, the Netherlands Institute for International Relations (Clingendael) conducts background research on Europe, security and conflict issues, diplomacy, and the changing geopolitical landscape.

Citation:

The government frequently employs commissions of scientific experts on technical topics like water management, harbor and airport expansion, gas drilling on Wadden Sea islands and pollution studies.

The function of scientific advisory services in departments has been strengthened through the establishment of “knowledge chambers” and, following U.S. and UK practice, the appointment of chief scientific officers or chief scientists as advisory experts. These experts may – depending on the nature of policy issues – flexibly mobilize the required scientific bodies and scientists instead of relying on fixed advisory councils with fixed memberships.

Although the use of scientific expertise is quite high, its actual influence on policy cannot be estimated as scholarly advice is intended to be instrumental, and therefore is not yet welcome in the early phases of policymaking. It is certainly not transparent to a wider public. Since 2011 advice has regressed from relatively “strategic and long-term” to “technical, instrumental and mid-/short-term.”

Citation:
R. Hoppe, 2014.
Interministerial Coordination

The Dutch prime minister is formally in charge of coordinating government policy as a whole, and has a concomitant range of competencies which include deciding on the composition of the Council of Ministers’ agenda and formulating its conclusions and decisions; chairing Council of Ministers meetings, committees (onderraad) and (in most cases) ministerial committees; adjudicating interministerial conflicts; serving as the primary press spokesperson and first speaker in the States General; and speaking in international fora and arenas (e.g., European Union and the United Nations) on behalf of the Council of Ministers and the Dutch government as a whole.

The prime minister’s own Ministry of General Affairs office has some 14 advising councilors (raadadviseurs, with junior assistants) at its disposal. The advising councilors are top-level civil servants, not political appointees. In addition, the prime minister has a special relationship with the Scientific Council of Government Policy. Sometimes, deputy directors of the planning agencies play the role of secretaries for interdepartmental “front gates.” To conclude, the Prime Minister’s Office and the prime minister himself have a very limited capacity to evaluate the policy content of line ministry proposals unless they openly clash with the government platform (regeeraccoord).

Citation:
http://www.rijksoverheid.nl/regering/bewindspersonen/jan-peter-balkenende/taken
http://www.nationaalarchief.nl/selectielijsten/BSD_Coordinatie_algemeen_regeringsbeleid_stcrnt_2009_63.pdf

Additional reference:

Given the nature of Dutch politics – a strong departmental culture and coalition governments – the Ministry of General Affairs has little more to rely upon in carrying out its gatekeeping functions than the government policy accord (regeerakkoord). Ministerial departments have considerable power in influencing the negotiations that take place during the elaborate process of preparing Council of Ministers’ decisions. Each line ministry – that is, its minister or deputy minister – has a secretariat that serves as the administrative “front gate.” By the time an issue has been brought to the Council of Ministers, it has been thoroughly debated, framed and reframed by the bureaucracy between the ministries involved. Gatekeeping in the Dutch system is one-directional; policy documents are moved from lower to higher administrative levels. In theory, the prime minister, through his representatives, could play a prominent role in coordinating this process. But given the limited scope of his monitoring
capacities and staff, he can steer the course of events for only a fairly small number of issues. The euro crisis has provided the prime minister with a clear range of agenda-setting and policy-coordination priorities. Furthermore, pressure from the EU on member states to improve the coordination of economic and fiscal policy has resulted in both the prime minister and minister of finance taking on a more prominent role in shaping the Netherlands’ fiscal and economic policies. The European Semester arrangement forces the government to update its economic policies every half year in the Nationaal Hervormingsprogramma in response to EU judgment. Under both the Rutte I and II cabinets, this has been a major driver of better gatekeeping and policy coordination.

Citation:
Europa NU, Coordinatie nationale economiseen (www.europa-nu.nl/id/v9p9n7o8qzu/coordinatie-nationale-economiseen)
Ministerie van EZ, Nederlands Nationaal Hervormingsprogramma 2013 (ec.europa.eu/europe2020/pdf/nd/nrp2013_netherlands_nl.pdf)

Additional reference:

Generally, line-ministry legislative or white-paper initiatives are rooted in the government policy accord, EU policy coordination and subsequent Council of Ministers decisions to allocate drafting to one or two particular ministries. In the case of complex problems, draft legislation may involve considerable jockeying for position among the various line ministries. The prime minister is always involved in the kick-off of major new policy initiatives and sometimes in the wording of the assignment itself. After that, however, it may take between six months and an entire Council of Ministers’ period before the issue reaches the decision-making stage in ministerial and Council of Ministers committees, and again comes under the formal review of the prime minister. Meanwhile, the prime minister is obliged to rely on informal coordination with his fellow ministers.

Citation:

Council of Ministers committees (onderraad) involve a separate meeting chaired by the prime minister for the ministers involved. Each committee has a coordinating minister responsible for relevant input and documents. Discussion and negotiations focus on issues not resolved through prior administrative coordination and consultation. If the committee fails to reach a decision, the matter is pushed up to the Council of Ministers. Since the Balkenende IV Council of Ministers there have been six standing Council of Ministers
committees: international and European affairs; economics, knowledge and innovation; social coherence; safety and legal order; and administration, government and public services. Given the elaborate process of consultations and negotiations, few issues are likely to have escaped attention and discussion before reaching the Council of Ministers. However, since the Rutte I and II cabinets have consisted of two or more political parties of contrary ideological stripes (the conservative-liberal VVD and the PvdA or Labor Party, in the case of Rutte II), political pragmatism and opportunism has tended to transform “review and coordination” to simple logrolling, or in Dutch political jargon: “positive exchange,” meaning that each party agrees tacitly or explicitly not to veto the other’s bills, in return for the same consideration. This tendency has negative consequences for the quality of policymaking, as minority views effectively win parliamentary majorities if they are budgetarily feasible without first undergoing rigorous policy and legal analyses.

Since the 2006 elections, politicians have demanded a reduction in the number of civil servants. This has resulted in a loss of substantive expertise, with civil servants essentially becoming process managers. Moreover, it has undermined the traditional relations of loyalty and trust between (deputy) ministers and top-level officers. The former have broken the monopoly formerly held by senior staff on the provision advice and information by turning increasingly to outside sources such as consultants. Top-level officers have responded with risk-averse and defensive behavior exemplified by professionally driven organizational communication and process management. The upshot is that ministerial compartmentalization in the preparation of Council of Ministers meetings has increased. Especially in the Ministry of Justice and Safety, the quality of bureaucratic policy and legislation preparation has become a reason for serious concern.

Citation:

H. Tjeenk Willink, Een nieuw idee van de staat, Socialisme & Democratie, 11/12, 2012, pp. 70-78

“Is justitie politiek te managen?, in NRC-Handelsblad, 1 October 2015

Very little is actually known about informal coordination at the (sub)-Council of Ministers level regarding policymaking and decision-making. The best-known informal procedure used to be the Torentjesoverleg, in which the prime minister and core of the Council of Ministers consulted with the leaders of the political parties supporting the coalition in the States General. Coalition governments cannot survive without this kind of high-level political coordination between government and the States General. Given the weak parliamentary support of the Rutte I and II councils of ministers (October 2010 – present), such informal
Coordination is no longer limited to political parties providing support to the governing coalition.

Under the present conditions, in which civil servants are subject to increasing parliamentary and media scrutiny, and in which gaps in trust and loyalty between the political leadership and the bureaucracy staff are growing, informal coordination and the personal chemistry among civil servants are what keeps things running. Regarding interministerial coordination, informal contacts between the senior staff (raadsadviseurs) in the prime minister’s Council of Ministers and senior officers working for ministerial leadership are absolutely crucial. Nonetheless, such bureaucratic coordination is undermined by insufficient or absent informal political coordination.


Evidence-based Instruments

In the Netherlands, RIAs are broadly and effectively applied in two fields: environmental impact assessments (EIMs) and administrative burden reduction assessments (ABRAs).

Environmental impact assessments are legally prescribed for projects (e.g., infrastructure, water management, tourism, rural projects, garbage processing, energy and industry) with foreseeable large environmental impacts. Initiators of such projects are obliged to produce an environmental impact report that specifies the environmental impacts of the intended project and activities and includes major alternatives. Environmental research and multicriterion analysis are the standard methods used.

The development of a method for ex ante evaluation of intended legislation regarding compliance costs to business and citizens was entrusted in 1998 to an ad hoc, temporary, but independent advisory commission called the Advisory Board on Administrative Burden Reduction (ACTAL). For more than 10 years, ACTAL advised government and the States General on how to alleviate the regulatory burdens on citizens, companies, and professionals in the care, education, public/private safety and social-security fields. In 2011, some policymakers suggested that ACTAL become a permanent rather than temporary body, though this proposal was withdrawn following an opinion against such a move by the Council of State, which argued that the “interiorization” of administrative-burden reduction among departmental policymakers had been so successful as to render ACTAL superfluous. In addition, the policy philosophy
on administrative regulation was at that time already shifting from (always negative) “burden reduction” to (prudentially positive and strategic) “appropriate regulation.” After evaluating its impact, the government will decide on ACTAL’s continuation or termination in 2017.

Citation:
www.actal.nl/over-actal/taken-en-bevoegdheden/ (consulted 26 October 2014)

Milieueffectrapportage (nl.m.wikipedia.org, consulted 26 October 2014)

RIAs are obliged to identify one or several alternatives to the option chosen by an initiator. According to the Advisory Board on Administrative Burden Reduction (ACTAL) guidelines, alternative options for administrative burden reduction assessments (ABRAs) are investigated. In principle, the option involving the greatest cost reduction ought to be selected. The extent to which practice follows theory is not known. Stakeholders and decision makers have been involved in the process of producing RIAs, making burden-reduction analyses more effective. The status of ACTAL as independent body for the evaluation of departmental RIAs under review.

Citation:
www.actal.nl/over-actal/taken-en-bevoegdheden/ (consulted 26 October 2014)

In the Netherlands, RIAs are broadly and effectively applied in two fields: environmental impact assessments (EIMs) and administrative burden reduction assessments (ABRAs). EIMs have been legally mandated since 1987. Anyone who needs a government license for initiating substantial spatial or land-use projects with potentially harmful environmental impacts is obliged to research and disclose potential project impacts. More than 1,000 EIM reports have been administratively and politically processed. They guarantee that environmental and sustainability considerations play a considerable role in government decision-making. However, environmental impact assessments are sometimes subordinated to economic impact assessments. There are no systematic social – or, for example, health – impact assessments.

Societal Consultation

International references to the “polder model” as form of consensus-building testifies to the Dutch reputation for negotiating public support for public policies, sometimes as a precondition for parliamentary approval. In this Dutch form of neo-corporatism and network governance, the government consults extensively with vested interest groups in the economy and/or civil society during policy preparation and attempts to involve them in policy implementation. It has been a strong factor in the mode of political operation and
public policymaking deployed by the Rutte I (2010 – 2012) and Rutte II (2012 – present) governments. The two councils of ministers produced societal agreements on cutback policy, housing policy, care policy, energy policy and socioeconomic policy. In spite of its apparent revival, this mode of politics and policymaking is under stress. Trade unions have suffered due to an erosion of representativeness and increasing fragmentation, although employers’ associations have been less affected. The recent revival may owe more to the fact that the Rutte I and Rutte II cabinets have not been able to rely on solid parliamentary support than to any renewed vigor on the part of business and labor associations.

Citation:

J. Woldendorp, (2013) De polder is nog lang niet dood, Socialisme & Democratie, jrg. 70, nr. 2, pp. 46-51

Policy Communication

The Informatie Rijksoverheid service responds to frequently asked questions by citizens over the Internet, telephone and email. In the age of “mediacracy,” the government has sought to make policy communication more coherent, relying on the National Information Service (Rijksvoorlichtingsdienst, RVD), which is formally a part of the prime minister’s Department for General Affairs, and whose director general is present at Council of Ministers meetings and is responsible for communicating policies and the prime minister’s affairs to the media. The government has streamlined and coordinated its external communications at the line-ministry level. In 2011, there was a total of about 600 information-service staffers in all departments (down from 795 in 2009). Another effort to engage in centralized, coherent communication has involved replacing departmentally run televised information campaigns with a unified, thematic approach (e.g., safety). These efforts to have government speak with “one mouth” appear to have been fairly successful. For example, the information communicated by the government regarding the downing of a passenger plane with 196 Dutch passengers over Ukraine on 17 July 2014 and its aftermath was timely, adequate and demonstrated respect for the victims and the needs of their families. The continual technological innovation in information and communication technologies has led policy communication to adapting to the new possibilities. New developments are focused on responding more directly to citizen questions, exploring new modes of behavioral change, and utilizing Net-based citizen-participation channels in policymaking and political decision-making.
Implementation

In its overall assessment of government performance, the General Audit Chamber still finds most departmental reports inadequate in terms of policy effectiveness and efficient monetary expenditure. This is especially true for progress made in cutback policies and, according to parliamentary inquiries, for information- and communications-technology applications and large infrastructure (rail, roads) projects. The government frequently formulates broader or more far-reaching policy goals than are actually pursued in practice. The national government has devolved a significant quantity of tasks to subnational governments, which makes government and administrative responsibilities more fuzzy, and policy performance harder to evaluate. Provincial and local audit chambers, which have since 2013 demonstrated horizontal and vertical cooperation and cooperation with the national-level audit chamber, do what they can, but the amount and scope of decentralized tasks is simply too large for their capacity at this moment. Policy implementation in the fields policing, youth care and care for the elderly in particular are increasingly sources of grave complaints by citizens and professionals; and thus becoming matters of grave concern. In academic and professional evaluation circles, a debate is emerging on how to tailor evaluation research designs to the need for more policy-oriented learning.

Citation:
Eindrapport Parlementair onderzoek naar ICT projecten bij de overheid, Tweede Kamer, vergaderjaar 2014-2015, 33 326, nr. 5

Provinciale en lokale rekenkamers, Algemene Rekenkamer Verslag 2013 (rekenkamer.nl, consulted 27 October 2014)

Pierre Koning, Van toezicht naar inzicht, Beleidsonderzoek Online, July 2015 (beleidsonderzoekonline.nl, consulted 26 October 2015)

“Fyra mislukt door NS en politiek”, in NRC-Handelsblad, 27 October 2015

‘Ministries van spoor en asfalt’, in NRC-Handelblad, 27 October, 2015

Dutch ministers’ hands are tied by such devices as party discipline; government/coalition agreements (which they have to sign in person during an inaugural meeting of the new Council of Ministers); ministerial responsibility to
the States General; and the dense consultation and negotiation processes taking place within their own departments and with other departments in the interdepartmental administrative “front gates” and ministerial committees. Ministers have strong incentives to represent their ministerial interests, which do not necessarily directly reflect government coalition policy. The hasty coalition agreement of the present Rutte II Council of Ministers – which was more of a mutual exchange of incompatible policy preferences than a well thought-out compromise – and its relatively weak parliamentary support have led to party-political differences frequently being voiced in the media. When the Rutte II cabinet reached out to three smaller political parties not supporting the government agreement, interministerial commitment and coordination visibly increased.

Citation: R.B. Andeweg & G.A. Irwin (2014), Governance and Politics of The Netherlands. Houndmills, Basingstoke: Palgrave Macmillan: 140-163

Monitoring Ministries Score: 4

Given the Prime Minister’s Office’s lack of capacity to coordinate and follow up on policy proposal and bills, systematic monitoring of line ministries’ implementation activities is scarcely possible. In the event of crises, ad hoc monitoring does occur.

Parliamentary debate on ministerial monitoring should have been limited to a well-defined set of “focus subjects” in full accordance with the policy-program budgeting system philosophy developed in the 1970s. However, political developments (the election campaigns in 2010, a Council of Ministers breakdown in 2012) have in recent times prevented this. In 2012, yet another system of program budgeting – this time called “responsible budgeting” – was introduced. Since 2013 – 2014, General Audit Chamber studies have indeed focused on particular subjects, and following some consultation, on departmental domains.


Monitoring Agencies, Bureaucracies Score: 4

The national Framework Law on Agencies/Bureaucracies has insufficient scope: too many agencies are exempted from (full) monitoring directives, while annual reports are delivered too late or are incomplete. Hence, the government lacks adequate oversight over the dozens of billions of euros of expenses managed by bodies at some distance from the central government. The original intention was that the Framework Law would apply fully to some 75% of the agencies; by 2012 it had less than 25% of its intended function. In 2014 – 2015, it became
clear that several oversight agencies and inspectorates, such as the Inspectorate for Health Care and the Authority for Consumers and Markets, were not quite up to their tasks. ICT projects for the national government too were not being properly monitored, resulting in huge time- and cost-overruns. The Social Insurance Bank (Sociale Verzekeringsbank, SVB) was for far too long unable to disburse personal benefits to special-education students and senior citizens eligible for day and home care on time and in the correct amount.

Citation:
Algemene Rekenkamer, Kaderwet zbo’s. Rijkwijdte en implementatie, juni 2012
“Wéér een slecht pgb-rapport”, in NRC-Handelsblad, 25 August 2015
Instellingsbesluit Onderzoekscommissie intern functioneren Nederlandse Zorg Autoriteit (NZa), 27 October 2015
Authorities Consument en Markt: samenwerkende huisartsen hoeven niet bang te zijn voor boete, NRC.nl, 19 September 2015

In 2011, revenue sharing from the national budget comprised two-thirds of the combined income (€53.6 billion) of the 441 local and municipal governments; revenues raised by local governments themselves made up the remaining one-third. Half of the income derived from national revenue sharing comes from a general fund for local government (Gemeentefonds). The other half of the national budget share comes from policy-related national subsidies (doeluitkeringen). In recent years, the financial position of local governments has improved somewhat thanks to growth in the general fund and greater reliance on local governments’ own revenues (minus local taxes).

At present, the decentralization and integration subsidies comprise 14% of all income from the general fund (Gemeentefonds). Policy-related national subsidies have decreased in total income share (falling from 62% in 1990 to 34% in 2011) and in number (from over 400 in 1985 to less than 50 at present). As of 2015, the national government has pursued a far-reaching decentralizing of policy tasks (in youth work, chronic patient care, social benefits, worker-activation employment programs). However, local-government budgets are supposed to contribute to meeting the European Monetary Union 3% government-deficit norm by accepting a decrease in their total budget. In 2014, local governments on average received €1,091 per inhabitant; in the coming years this will decrease to approximately €950. In addition, the national government has placed new restrictions on the way municipal governments spend their own income. Local governments will be expected to “do more with less” in the upcoming years. The Center for Economic Policy Analysis recently proposed that local governments expand their local tax base; combined with a
decrease in national taxes, this would simultaneously be good for the national economy and local democracy.

Dutch local governments are hybrids of “autonomous” and “co-government” forms. However, local autonomy is defined mostly negatively as pertaining to those tasks left to local discretion because they are not explicitly mentioned as national policy issues. Co-government is financially and materially constrained in rather extensive detail by ministerial grants. Increasingly, the Dutch national government uses administrative and financial tools to steer and influence local policymaking. Some would go so far as to claim that these tools have in sum created a culture of quality control and accountability that paralyzes local governments, violating the European Charter for Local Government. This is due in part to popular and political opinion that local policymaking, levels of local-service delivery and local taxes ought to be equal everywhere in the (small) country.

There is no single institution that monitors national standards for services at local level. Monitoring is left to the various ministries allotting “doeluitkeringen” or policy-related national subsidies.

Local governments themselves also try to meet mutually agreed-upon national standards. Several studies by local audit chambers have involved comparisons and benchmarks for particular kinds of services. Local governments have been organizing voluntary peer reviews of each others’ executive capacities. In 2009, the Association of Dutch Local Governments established the Quality Institute of Dutch Local Governments (Kwaliteitsinstituut Nederlandse Gemeenten). Nevertheless, due to the implementation of strong decentralization plans, including funding cutbacks, it is likely that the uniformity of national standards in the delivery of municipal services will diminish.
Adaptability

Government reform has been on (and off) the agenda for at least 40 years. In this time there has been no substantial reform of the original government structure, which dates back to the mid-19th century and the 1848 constitution. Although several departments have been switched back and forth between different ministries, the system of ministries itself has not been substantially reformed (although the Ministry of Agriculture was definitively abolished and is now part of the Ministry of Economic Affairs). The Council of State, which is the highest court of appeal in administrative law, is still part of the executive, not the judiciary. The Netherlands is one of the last countries in Europe in which mayors are not locally elected but are instead appointed by the national government. In spring 2013, the Rutte II government largely withdrew its drastic plans to further reduce the number of local and municipal governments from just over 400 to between 100 and 150 with 100,000 or more inhabitants per district, as well as its intentions to merge a number of provinces (Regeerakkoord). In response to EU-level developments, the oversight role of the Dutch parliament has been strengthened. Although the number of civil servants with legal, economic and administrative expertise at the EU level has undoubtedly increased, no new structural adjustments in policy and legislative preparation have been implemented.

Citation:
Regeerakkoord:
http://www.rijksoverheid.nl/regering/regeerakkoord/bestuur

Standpunt VNG (homepage vng.nl, consulted 27 October 2014)

Gemeentelijke en provinciaal herindelingen in Nederland (home.kpn.nl/pagklein/gemhis.html, consulted 27 October 2014)

Verdrag van Lissabon vergroot rol van nationale parlementen in Europa, Parlement & Politiek, Europa (parlement.com, consulted 23 September 2015)

The Netherlands has been an avid protagonist in all forms of international cooperation since the Second World War. However, research has shown that since the late 1970s, 60% of EU directives have been delayed (sometimes by years) before being transposed into Dutch law. The present-day popular attitude to international affairs is marked by reluctance, indifference or rejection. This has had an impact on internal and foreign policy, as indicated by the Dutch shift
toward assimilationism in integration and immigration policies; the decline in popular support and subsequent lowering of the 1% of government spending norm for development aid; the shift in the government’s attitude toward being a net contributor to EU finances; and the rejection of the EU referendum. The change in attitudes has also negatively affected government participation and influence in international coordination of policy and other reforms. Since 2003, the Dutch States General have been more involved in preparing EU-related policy, but largely through the lens of subsidiarity and proportionality – that is, in the role of guarding Dutch sovereignty. However, Dutch ministers do play important roles in the coordination of financial policies at the EU level. Indeed, it is only since the beginning of the banking and financial crisis that the need for better coordination of international policymaking by the Dutch government has led to reforms in the architecture of policy formulation. The sheer number of EU top-level meetings between national leaders forces the Dutch prime minister to act as minister of general and European affairs, with heavy support from the minister of finance.

Organizational Reform

There have only been two visible changes in the institutional practices of the Dutch government at national level. One is that the monarch, formally the head of government, was stripped of participation in Council of Ministers formation processes; the Second Chamber or Senate now formally directs that process. The second is an adaptation to less parliamentary support for the Rutte I and II governments. Informal coordination processes between government ministers and members of parliaments of both coalition and non-coalition parties have become crucial for governing at the national level.

Two organizational-reform crises have emerged in recent times that threaten citizens’ well-being in the long run. The first is the underfunded, understaffed and not-well-thought-out transfer of policy responsibility to municipal and local governments within important domains such as youth care, health care and senior-citizen care. Many local governments lack the expertise, budgetary powers and monitoring/evaluation capacity to implement these changes without grave difficulties. In many cases, they have joined local-government alliances or
have outsourced such tasks to commercial firms without adequate democratic oversight capacity from the local bureaucracy and/or (elected) local council members. Second, there is a looming reform crisis in the justice and policing system, which undermines the government’s task of protecting citizens’ security. The reform of the policing system from regional or local bodies into a single big national organization is stagnating; police officers have mounted strikes based on wage and working-condition issues; and the top echelon of the police leadership is in disarray. The digitization of the justice system and the reduction in the number of courts, in addition to imposed cutbacks, has wreaked havoc within the judicial branch of government. There is a crisis in the relations between the political and the bureaucratic elements, given that the Department of Justice and Security is supposed to provide political guidance to both of these reform movements.

Thus, self-monitoring is lacking in core policy domains such as law enforcement and the judicial system, where implementation failures threaten the security of citizens. The same is true of health care and social care for the elderly. There have been several cases of suicide by civil servants who had served as whistle blowers, indicating organizational cultures that mute self-criticism.

Citation:
“Angstcultuur verlamt recherche”, in NRC-Handelsblad 15 September 2015
“Chaos op Justitie nog niet voorbij, NRC-Handelsblad, 24 September 2015
“Is Justitie politiek te managen”, in NRC-Haldelsblad 1 October 2015
“Gaat de rechtbank nu toch weg?”, in NRC-Handelblad 28 August 2015
‘Ombudsman - overheid vergeet burger bij grote stelselwijzigingen”, in NRC-Handelblad, 25 August 2015
“Onbestuurbaar? Dat vind ik zo’n apocalyptisch woord”, in NRC-Handelsblad, 16 October 2015

No major changes have taken place in strategic arrangements or capacities beyond what has already been mentioned regarding externally driven policy coordination in fiscal and economic matters. Generally, strategic capacity is rather strong.

II. Executive Accountability

Citizens’ Participatory Competence

Dutch respondents claim to spend slightly more time than the average European respondent political information. Nevertheless, the broader public does not seem
to be well-informed on a wide range of government policies. This is due not to a lack of information, but many people find political information complicated and/or uninteresting, they often do not pay attention to it. The Netherlands Institute for Social Research (Sociaal-Cultureel Planbureau, SCP) found in a 2012 survey that 28% of respondents thought politics was too complicated for them to understand, while 60% thought it was too complex for most others. Verhoeven distinguishes four types of citizens regarding their degree of political involvement: “wait-and-see” citizens (25%), impartial citizens (17%), dependent citizens (23%) and active citizens (35%). Research by Bovens and Wille finds that differences in education levels have become increasingly salient factors when it comes to citizens’ competence in processing policy information, political judgments about the EU, issues of immigration and integration, and political leadership.

Citation:
Verhoeven, Burgers tegen beleid: een analyse van dynamiek in politieke betrokkenheid, dissertatie, UvA, 2009.
M. Bovens, and A. Wille, 2011. Diplomademocratie. Over spanningen tussen meritocratie en democratie, Bert Bakker
Continu Onderzoek Burgerperspectieven, Burgerperspectieven 2014/3 (www.scp.nl, consulted 27 October 2014)

**Legislative Actors’ Resources**

A comprehensive study on the information exchange between the States General and government in the Netherlands over the past 25 years concludes: “In a mature democracy the primacy of information provision to parliament ought to be in the hands of parliament itself; but in the Netherlands in 2010 de jure and de facto this is hardly the case. … De facto the information arena in which the cabinet and the parliament operate is largely defined and controlled by the cabinet.”

This state of affairs reflects the necessity of forming coalitions so that a majority of the States General usually supports the government of the day. As an institution, the States General is not necessarily a unified actor.

Moreover, the States General’s institutional resources are modest as well. Dutch members of parliament in large parliamentary factions have one staffer each; MPs of smaller factions have to share just a few staffers. MPs of coalition parties are usually better informed than opposition MPs. MPs do have the right to summon and interrogate ministers; the quality of the question-and-answer game
is typified as: “Posing the right questions is an art; getting correct answers is grace.” Oversight and control in the Dutch States General is the prerogative of the departmentally organized permanent parliamentary committees, usually composed of MPs with close affinity to the policy issues of the department involved. Policy and program evaluations are conducted by the departments themselves, or by the General Audit Chamber (which has more information-gathering powers than the States General). Another more standardized mechanism is the annual Accountability Day, when the government reports on its policy achievements over the last year. Direct day-to-day contacts with officials are fuzzy and unsatisfactory due to the nature and interpretation of guidelines, and formal hearings between MPs and departmental officials are extremely rare. MPs can ask officials to testify under oath only in the case of formal parliamentary surveys or investigations – but this is considered an extraordinarily heavy instrument, to be used only in exceptional cases. Formally, the States General may use the expertise of governmental advisory bodies, but this process is closely supervised by the minister under whose departmental responsibility the advisory bodies function. Only the Rathenau Institute (for scientific and technological issues) works exclusively for the States General.

The small Parliamentary Bureau for Research and Public Expenditure does not produce independent research support, instead providing assistance to the parliament.

Citation:
Guido Enthoven (2011), Hoe vertellen we het de Kamer? Een empirisch onderzoek naar de informatierelatie tussen regering en parlement, Eburon

http://www.houseofrepresentatives.nl/administration/organization-chart/parliamentary-bureau-research-and-public-expenditure

The government has to provide correct information to the States General (according to Article 68 of the constitution). However, this is often done somewhat defensively, in order to protect “ministerial responsibility to parliament” and a “free consultative sphere” with regard to executive communications. Providing the States General with internal memos, policy briefs (e.g., on alternative policy options), interdepartmental policy notes or advice from external consultants is viewed as infringing on the policy “intimacy” necessary for government-wide policy coordination, as well as on the state’s interests. As political scientist Hans Daalder has noted: “In practice, it is the ministers that decide on the provision of information requested.”

Citation:
Guido Enthoven (2011), Hoe vertellen we het de Kamer? Een empirisch onderzoek naar de informatierelatie tussen regering en parlement, Eburon
Parliamentary committees may invite ministers to provide testimony or answer questions. Outright refusal to answer such a request occurs only rarely. Nevertheless, ministers often do not answer the questions in a forthright manner. Every week, parliamentarians have the opportunity to summon ministers and pose a seemingly unlimited number of questions.

Parliamentary committees can and often do invite experts to answer questions, or to facilitate the parliamentarian committee members in asking questions and interpreting the answers. Limited finances are usually the only real constraint on the number of experts summoned. Toward the end of this review period (5 November 2014), French economist Thomas Piketty addressed the Dutch parliament’s finance committee on issues regarding income inequalities and wealth.

Under the present government, there are 11 ministries and 12 (fixed) parliamentary committees (vaste kamercommissies). Only the prime minister’s Department of General Affairs lacks an analogous dedicated parliamentary committee. There are also fixed committees for interdepartmental policymaking on aggregate government expenditure, European affairs and foreign trade, and development aid. Parliamentary committees usually have 25 members, representing all political parties with seats in the States General; they specialize in the policy issues of their dedicated departments and inform their peers (i.e., tell them how to vote as part of the party voting-discipline system). There are approximately 1,700 public and non-public committee meetings per year.

The Netherlands’ General Audit Chamber is the independent organ that audits the legality, effectiveness and efficiency of the national government’s spending. The court reports to the States General and government, and its members are recommended by the States General and appointed by the Council of Ministers. Parliament frequently consults with this institution, and in many cases this leads to investigations. Investigations may also be initiated by ministers or deputy
The National Ombudsman is a “high council of state” on a par with the two houses of the States General, the Council of State and the Netherlands General Audit Chamber. Like the judiciary, the high councils of state are formally independent of the government. The National Ombudsman’s independence from the executive is increased by his/her appointment by the States General (specifically by the Second Chamber or Tweede Kamer). The appointment is for a term of six years, and reappointment is permitted. Recently, irked by the critical attitude of the former ombudsman, parliament made a series of stumbles, first by nominating a former interest-group leader to the post, who resigned after much public criticism; it then was 13 months before the present ombudsman, a renowned judge, formally took over. The National Ombudsman was established to give individual citizens an opportunity to file complaints about the practices of government before an independent and expert body. Where the government is concerned, it is important to note that the National Ombudsman’s decisions are not legally enforceable. The ombudsman publishes his or her conclusions in annual reports. The government is not obliged to act upon these reports. The Dutch government has also created a special ombudsman for children’s’ rights.

Citation:

http://www.nationaleombudsman.nl/?gclid=CMPv8vGlteCFciZ3godZH0AkQ
“Reinier van Zutphen officieel benoemd tot nieuwe ombudsman”, Nu.nl, 3 February 2015
Media

The past decade has seen a large expansion of digital radio and television programming. This has resulted in a richer supply of broadcasters, bundled in so-called “plus packages” for viewers, which serve their own target groups with theme-specific broadcasts. In the digital sphere, viewers and consumers clearly have more choices.

Dutch public television and radio stations produce high-quality information programs analyzing government decisions on a daily basis. Of the 13 national public broadcasters in the Netherlands, eight may be said to consider it their task to inform the public about governmental affairs and decision-making. The main public TV news channel, NPO (previously NOS), is required to provide 15 hours of reporting on political issues every week. On the radio, the First Channel is primarily tasked with providing information. In recent years, the scope of the First Channel within society has been decreasing. This is not surprising since new media (i.e., the Internet) have grown at the expense of more traditional media and are becoming more influential in the provision of news. NPO broadcasts Politiek 24, a digital television channel on the Internet that contains live streams of public debates, analyses, background information and a daily political show. As noted under the “Media Freedom” section, recent policy has pushed for a merger between public media organizations, as well as for limiting their broadcasts to issues of information and culture, leaving entertainment to commercial media.

A majority of Dutch citizens (54%) still read a newspaper every day. Newspaper readers are to be found increasingly among the older and more highly educated population segment; digital subscriptions are on the rise. Regional and local newspapers in particular are experiencing severe financial troubles, leading to strong consolidation and concentration tendencies, and a significant increase in one-paper and even no-paper cities.

Citation:

Media monitor, 13 October 2014 (mediamonitor.nl, consulted 27 October 2014)

Parties and Interest Associations

Intra-party democracy in the Netherlands does not exist. In all recent major political parties, political professionals dominate decision-making with regard to
candidate lists and agendas, and the selection of party leaders. Briefly characterized, the landscape looks like this:

People’s Party for Freedom and Democracy (Volkspartij voor Vrijheid en Democratie, VVD) (27%): typical professional politicians’ and administrators’ party; party leader not elected but self-nominated after internal elite struggle.

Labor Party (Partij van de Arbeid, PvdA) (25%): typical professional administrators’ party; party leader elected through elite struggle and formally confirmed by members’ vote.

Party for Freedom (Partij voor de Vrijheid, PVV) (10%): leadership or dictatorial party; charismatic party leader (Geert Wilders) who is self-nominated and the only formal member.

For a long time, there was no lobbying culture in the Netherlands in the usual sense. Instead, prominent members of labor unions and business associations are regular members of high-level informal networks that also include high-level civil servants and politicians. Members of these networks discuss labor and other important socioeconomic policy issues. These processes have become institutionalized. For instance, there are tripartite negotiations in which employers, employees and the government are fixed discussion partners in the early stages of decision-making regarding labor issues. A similar process takes place for regular negotiations with economic-interest associations. The analytic capacities of business and labor associations are well-developed.

However, this set of affairs has changed somewhat in recent years. There is now a Professional Association for Public Affairs (BVPA) that boasts 600 members (four times the number of parliamentarians) and a special public-affairs professorship at Leiden University. The professionalization of lobbying is said to be necessary in order to curb unethical practices such as the creation of foundations or crowdsourcing initiatives as a means of pursuing business interests. The “quiet politics” (Culpepper) of business lobbying through organizations such as the Commissie Tabaksblat and the Amsterdam (later Holland) Financial Center (Engelen) have proven quite successful in influencing public policies on corporate governance and in easing regulation of the banking and financial sector.
Policymaking in the Netherlands has a strong neo-corporatist (“poldering”) tradition that systematically involves all kinds of interest associations – not just business and labor – in the early stages of the policymaking process. Owing to their well-established positions, associations such as the consumer association, all kinds of environmental NGOs, religious associations, municipal (Vereniging voor Nederlandse Gemeenten) and provincial interests (InterProvinciaal Overleg), and medical and other professional associations (e.g., teachers, universities, legal professions) can influence policymaking through the existing consensus-seeking structures. Trade-offs are actively negotiated with ministries, other involved governments, stakeholder organizations and even NGOs. Furthermore, non-economic interest organizations react to policy proposals by ministries and have a role in amending and changing the proposals in the early stages of the policymaking process. They may also become involved at a later stage, as policies are implemented.