



Societal Consultation Report

Negotiating Public Support

Sustainable Governance
Indicators 2016

Indicator

Negotiating Public Support

Question

To what extent does the government consult with societal actors to support its policy?

41 OECD and EU countries are sorted according to their performance on a scale from 10 (best) to 1 (lowest). This scale is tied to four qualitative evaluation levels.

- 10-9 = The government successfully motivates societal actors to support its policy.
- 8-6 = The government facilitates the acceptance of its policy among societal actors.
- 5-3 = The government consults with societal actors.
- 2-1 = The government rarely consults with any societal actors.

Norway

Score 10

Norway is a consensus-oriented society. Interested parties are typically fully informed of measures under discussion, and play an active role in the legislative process. In particular, there is a firm tradition of consultation with trade unions and business organizations. Interested parties are invited to express their views before new laws are presented to parliament. Social confrontations over policymaking (e.g., political strikes or violent forms of protest) have been almost nonexistent in recent years. However, as the speed of decision-making is increasing, public-hearing processes often have to cope with short deadlines, limiting the actual influence of external societal actors.

Switzerland

Score 10

Within Switzerland's strong corporatist system there are numerous pre-parliamentary procedures and committees focused on consultation with various societal groups. These instruments are designed to prevent government proposals from failing in parliament or in referenda, and to offer solutions that benefit all parties. However, research shows that the degree of corporatist integration has declined in recent years. This is in part attributable to the growing intensity of conflicts between the social partners, as well to the influence of EU integration and internationalization. In addition, lobbying and pluralist pressure-group politics have gained in importance. However, if judged from a comparative perspective, the level of corporatist integration is still very high in Switzerland. The successful tripartite talks on recording working hours that have been coordinated by the Federal Department of Economic Affairs, Education and Research are a recent example of this.

Denmark

Score 9 There is a long tradition of involving economic and social actors at all stages of the policy cycle, sometimes even in the implementation phase. Both formally and informally, there are valuable contacts between the government and main interest organizations (e.g., trade unions, employers, various business organizations and NGOs) as well as heads of major companies. This is also formalized in terms of the Economic Council, where the large organizations are represented. Interest organizations provide important information for politicians and civil servants. While corporatism has changed over the years, it still exists in Denmark. Involving societal actors is a way for the government to get information and create legitimacy for adopted policies.

Citation:

Henning Jørgensen, *Consensus, Cooperation and Conflict: The Policy Making Process in Denmark*, 2002.

Jørgen Grønnegård Christensen et al., *Politik og forvaltning*. 3. udg., 2011.

Finland

Score 9 In Finland's consensus-oriented political system, interest organizations and associations are regularly consulted. Although the corporatist system adopted in the 1960s has evolved, the exchange of views and information with a variety of social interests is still part and parcel of the everyday activities of the Finnish government. Through various mechanisms such as committee hearings, joint-council memberships and expert testimony, bills and drafts are circulated to interested parties who are then invited to critique the draft legislation. Various laws and guidelines, such as the Act on the Openness of Government Activities, contain provisions on consultation and participation. By and large, the system functions reasonably well and largely prevents social confrontations over policymaking. Admittedly, consultation tends to favor organized groups and neglects outside participation. It is also the case that consultation is carried out mainly to build consensus rather than to gather support or assess impact. However, in the long run, this helps to generate public support for government policies. Recent developments indicate a weakening in the role played by the tripartite negotiation of labor-market agreements between the government, employers groups and employee organizations.

Netherlands

Score 9 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:

R.B. Andeweg and G.A. Irwin (2014), *Governance and politics of the Netherlands*. Houndmills, Basingstoke: Palgrave Macmillan, p. 188-198, 230-251.

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

Austria

Score 8

The Austrian political system is quite inclusive, but is receptive primarily to particular interests. The corporatist network established after 1945, consisting of government, business and labor representatives, still functions. This allows the government to obtain information about the formation of societal interests, and to use this information to adapt its decision-making process. However, this explicit social partnership permits the appeasement of certain interests while excluding other groups that are not as efficiently organized as the major economic interest groups.

The system of officially recognized religious denominations provides another means of societal consultation. All major Christian churches as well as the Islamic, Jewish and Buddhist communities are included in decision-making processes for issues relevant to their faiths and activities.

The role played by these specific economic and noneconomic interest groups has been legally formalized: The government must consult with these groups on all draft bills before sending the proposal to parliament.

In 2014, the government proposed a new legal basis for the Islamic community in Austria. This proposed legislation has not yet passed parliament, but it has the potential to improve consultation mechanisms with a fast-growing religious community.

Luxembourg

Score 8

Luxembourg is a consensus-oriented society with a well-known model of neo-corporatism (the Luxembourg Model), which became institutionalized in the aftermath of the steel crisis in the 1970s. When introducing a draft bill to parliament,

the government normally launches a broad consultation process. Unions and employers' organizations are consulted in any case; every draft bill is submitted to the respective organization of employees (Chambre des Salariés) and to employers' organizations (Chambre de Commerce and Chambre des Métiers). Depending on the purpose of the draft bill or the new policy, civil society is included in the process. The tripartite system is considered to have failed in 2010, when the three partners were unable to reach agreement on critical issues. However, the new government relaunched the social dialogue with employers and employees, and the process has since functioned reasonably well.

Citation:

<http://www.luxembourg.public.lu/fr/politique/concertation/modele-social/index.html>

Clément, F. (2012), *Consociativisme et dialogue social. Les relations professionnelles au Grand-Duché de Luxembourg*, Saarbrücken

Hirsch, M. (2012), Sind Konkordanz-, Konsens- und Drei-Partnermodelle "Schönwetter-Veranstaltungen"? Das Beispiel Luxemburg, in: Köpplé, S./ Kranenpohl, U. (Ed.), *Konkordanzdemokratie. Ein Demokratietyp der Vergangenheit?* Baden-Baden, pp. 117-132

<http://www.land.lu/2013/01/18/ruf-nach-leadership/>

http://www.legilux.public.lu/ldp/2013/20130024_L.pdf

<http://www.gouvernement.lu/3370722/16-bettel-tageblatt>

New Zealand

Score 8

New Zealand has a strong tradition of broad policy consultation with interest groups and with its citizens. The need for consultation has been enhanced recently by two developments. One is the change to a multiparty system and the formation of minority governments, which require the support of smaller parties to be able to pass legislation. The other relates to a greater diversity and sophistication of voters, with political views that are more difficult to predict and no longer fit in a simple "left" and "right" mold. While it may be the case that the ideologies of some parties may make them more compatible than others, under a mixed-member proportional (MMP) system it is not always easy to predict where a minor party will sit on a particular issue. Local governments in particular have a tradition of consulting with their citizens and communities, and consultation is mandated in many cases under the Local Government Act 2002. Consultation is also commonly used by central government agencies with respect to new policy initiatives. When a consultation has taken place, the details of consultations, internal and external, need to be set out in regulatory impact statements. While select committees hold hearings on proposed legislation once it has been introduced in Parliament, giving individuals and organizations the opportunity to make written or oral submissions, the incidence of by-passing select committees by introducing bills under urgency is growing. In late 2015, for example, a high-profile law to monitor the activities of New Zealand citizens with criminal records who had been deported from Australia was passed under conditions of urgency, thereby precluding any opportunity for public input or debate. In 2014, the government allowed a mere three days of public submissions as part of a review of New Zealand's anti-terrorism laws. In addition to the aforementioned tools for measuring public opinion, both the government and

organizations that are likely to be affected by policy outcomes make increasing use of opinion polls, media and online comment, and focus groups. One such initiative was the establishment of a Rules Reduction Taskforce by the local government minister in October 2014. The taskforce held community meetings across the country to hear complaints from property-owners groups and local government about ineffective property rules.

Citation:

Cabinet Office Circular CO (09) 8: Regulatory Impact Analysis Requirements: New Guidance (Wellington: Cabinet Office 2009).

Local Government Act 2002: <http://www.legislation.govt.nz/act/public/2002/0084/latest/DLM172326.html> (accessed October 9, 2014).

Sweden

Score 8

Consultation with societal actors has historically been of a defining feature of Swedish (and Scandinavian) neo-corporatist governance, and such arrangements are still in place to a large extent. In this corporatist arrangement, government consults with key societal partners on a wide range of issues. Stakeholders are thus given an opportunity to influence public policy from the early stages of the policy process until implementation.

The more specific nature of the relationship between the state and societal actors is changing, however. Previously, these contacts were institutionalized with all major players invited to provide input on almost all major policy issues. Today, these consultations are more ad hoc and strategic. The current red-green government appears to have a more continuous dialogue with organized interests, primarily the unions, than the earlier “Alliance” government. Even so, Swedish corporatism is weaker today than it was in the 1970s and 1980s. The previously mentioned decline of the Royal Commissions is one important example of the reduction of societal consultation in Sweden under the period of review. Overall, most observers today agree that corporatism as a model of governance has been significantly weakened in Sweden.

However, there have also been some tendencies toward increasing societal consultation. The increasing significance of so-called new modes of governance – networks, markets, partnerships and so on – has opened up new arenas for exchanges and communication between government institutions and organized interests. Also, studies show that societal actors now target specific institutions rather than engaging the state as a whole. Unions, for example, still target public institutions that draft policy, whereas business organizations are more active vis-à-vis executive agencies.

Citation:

Héritier, A. and M. Rhodes (eds) (2011), *New modes of governance in Europe* (Basingstoke: Palgrave).

Heinrich, C. J., L. E. Lynn, Jr., and H. B. Milward (2010), “A State of Agents?: Sharpening the Debate and Evidence over the Extent and Impact of the Transformation of Governance”, *Journal of Public Administration Research and Theory* 20 (suppl 1):i3-i19.

Pierre, J. and B. G. Peters (2005), *Governing Complex Societies* (Basingstoke: Palgrave).

Svensson, T. and P-O.Öberg (2010), "Does Power Drive out Trust? Relations between Labor Market Actors in Sweden", *Political Studies* 58:143-166.

Öberg, P-O, S. Oskarsson and T. Svensson (2011), "Similarity versus Homogeneity: Contextual Effects in Explaining Trust", *European Political Science Review* 3:345-369.

United States

Score 8

The U.S. political system is outstanding in the degree to which it elicits opinions and preferences from societal actors at all stages of the policy process, and enables such actors to shape policy outcomes. In the U.S. system, the president and congressional leaders must build congressional support for each measure. Interest groups, ideological activists, experts and ordinary citizens have extensive opportunity to influence policymakers before decisions have been made. Societal responses are elicited in a variety of ways. The White House maintains direct relationships with some interest groups. Congressional committees hold hearings on most legislative initiatives and on general policy issues. Furthermore, the president, party leaders and major interest groups use media-based strategies to mobilize public opinion, often using targeting strategies to reach sympathetic groups. In sum, the U.S. government is exceptionally open to influence by societal forces. This openness is not designed to ensure consensus and does not do so, although action without broad support is normally difficult.

Australia

Score 7

The degree of societal consultation on policy development varies depending on the issue, the party in government and numerous contextual factors. The key groups often consulted are trade unions and business-advocacy groups, but other special interests – religious groups, environmental organizations and pro-family groups, for example – also have advocacy groups that are sometimes brought into discussions about policy. Traditionally, Labor governments have been more amenable to consultation with trade unions, while Liberal governments have been more amenable to consultation with business groups, but governments of both persuasions have engaged in extensive consultation on some policies while eschewing consultation on others. For example, in its 2014 budget the coalition government announced substantial and wide-ranging cuts to welfare without prior consultation or warning; yet on tax reform it has proceeded slowly and carefully, and is currently engaged in consultation with a wide range of organizations and individuals.

Canada

Score 7

The departments and agencies of the Canadian government hold many consultations with economic and social actors on public policy issues. These consultations are motivated primarily by the desire to obtain input from Canadians before the government decides on a policy course, not by the desire to sell a particular policy to

the population (this is not done through consultations). The most important consultations relate to the preparation of the annual budget. While the importance of trade unions in the consultation process has fallen significantly in recent years, this is not necessarily the case for other groups.

The duty to consult and accommodate Canada's aboriginal peoples as laid down in the Royal Proclamation of 1763 has always been part of the legal and constitutional relationship between Canada and its indigenous population. This duty has been tested and clarified in a number of court cases, the latest of which was the 2010 decision on the Nechako River dam in British Columbia, in which the duty to consult was reaffirmed by the Supreme Court of Canada. However, many First Nations leaders allege that there is a general and persistent lack of genuine consultation at both the federal and the provincial level. They have expressed their frustration with the federal government's decision to ignore their objections to a set of laws on improving drinking water, financial transparency, education, and property rights for aboriginal women on reserves.

Citation:

Rio Tinto Alcan Inc. v. Carrier Sekani Tribal Council, [2010] S.C.J. No. 43.

Chile

Score 7 Frequent consultations with civil-society groups and particularly stakeholder organizations take place. However, consultations tend to be inclined toward economic interest groups. By contrast, unions and environmental organizations are frequently underrepresented. Online surveys have been implemented with the aim of gauging opinions within the non-institutionalized public. The president's advisory ministry (Secretaría General de la Presidencia, or Segpres) is primarily responsible for initiating and monitoring consultations. Depending on the issue, sectoral institutions can also be involved. The ad hoc advisory commissions represent another means of societal consultation, as they include interest-group representatives, experts and other stakeholders.

Estonia

Score 7 Consultations with societal actors are regulated by government guidelines contained in the Good Engagement Practices (GEP) document, approved in 2011. Although this is not a binding legal act, it prescribes in detail procedures for engaging social stakeholders in the policymaking process. The GEP includes eight recommended principles, which place importance on the clarity of goals, openness of relationships, and dedication to goals. Once a year, the Government Office presents an overview of the GEP's implementation to the government.

Existing regulations and established practices render it almost impossible to avoid interest groups' involvement in the policymaking process. The main focus is on consultations during the preparatory phase, when a broad range of societal actors is typically involved. However, at later stages, only those advocacy organizations tending to be supportive of the proposed policy are invited to the table. Thus, corporatist tendencies are becoming apparent that are not entirely in accordance with GEP principles. Furthermore, engagement practices have not yet been extended to the policy-implementation or policy-evaluation phases.

Germany

Score 7

In general, government representatives meet with societal stakeholders as part of their daily routine. Nevertheless, the CDU/CSU-SPD government did not make use of social pacts or other direct bargaining mechanisms. As under previous governments, ministries and parliamentary committees relied heavily on information provided by interest groups, and took their proposals or demands into account when developing legislation. The impact of civil-society actors in general depends on their power resources and organizational status. Since interests are sometimes mediated through institutionalized corporatist structures, employer's associations and unions play a privileged role. On a regular basis, experts and interest groups take part in parliamentary committee hearings in the course of the legislative process.

During the first years of the grand coalition, both parties, the CDU/CSU and the SPD, sought to live up to the promises made in the coalition agreement in order to satisfy the perceived interests of their respective electorates. Some major policy projects – such as the introduction of a minimum wage and a reduction in the statutory pension age (from 65 to 63) that have been advocated by certain interest groups (primarily trade unions), were indeed realized. It seems that bargaining processes are not highly institutionalized and interest representation is conducted on an ad hoc basis.

Latvia

Score 7

Societal consultation takes place frequently and is diverse in nature. The Tripartite Council of Latvia (Nacionālā trišpusējās sadarbības padome, NTSP) is a well-established, well-integrated and often-used consultative mechanism that links employers, trade unions and government.

The Council of Ministers maintains a NGO cooperation council, which organizes NGO input into issues related to civil society. The number of NGO participants over the 10 years of this council's existence has risen from an initial 57 to 350 in 2014. Ministries have their own sectoral consultative bodies. The executive branch has 165 different consultative bodies, a slight decrease from a high of 173 in 2011, but the number of NGOs participating in these bodies has increased from 980 to 1,128 over the same period.

Despite this quantitative evidence of consultation, the quality of consultations is often questionable. Consultations are perceived as formal, and in fact offer little opportunity to make an impact on the direction and quality of government policies. NGOs have voiced complaints about the quality of participation, prompting the Council of Ministers/NGO cooperation council to conduct a cross-ministry review of consultation practices during 2011 and 2012.

In its public consultations, the government is rarely successful in achieving an exchange of views and information that increases the quality of government policies or induces societal actors to support them. Best practices can be found in the Ministry of Agriculture and the Ministry of Environment and Regional Development. Both ministries publicly fund a consultation mechanism with NGOs, and have also achieved considerable success in securing stakeholder input and support for draft policies. There is also evidence of the opposite result – in some cases, government consultations with stakeholders have induced societal actors to actively oppose government policies. In the education sector, active consultations with stakeholders led to attempts throughout 2012 to block government policy proposals as well as multiple calls for the resignation of the minister. Despite extensive consultations throughout 2014 and 2015, teachers' unions organized a one-day strike in late 2015 over education-finance reform issues.

In 2013, the State Chancellery launched two public-engagement tools – the website Mazaksslogs (www.mazaksslogs.lv) and the mobile app Futbols. Mazaksslogs collects public opinions such as complaints or suggestions relating to bureaucratic hurdles, while Futbols collects user reviews of public institutions, focusing on experiences. In its first year, Mazaksslogs processed 191 complaints and suggestions, 55 of which related to construction and building permits. Meanwhile, Futbols collected 361 reviews, with the largest number focusing on the State Social Insurance Agency, the State Revenue Service and the Office of Citizenship and Migration Affairs. Futbols won the World Summit Award Mobile 2014 for best app worldwide in the category of m-government and participation.

Citation:

State Chancellery (2011, 2012, 2013, 2014), Reports, Available at (in Latvian): <http://www.mk.gov.lv/vk/gadaparskats/>, Last assessed: 22.11.2015.

Lithuania

Score 7

In Lithuania, major societal actors are consulted through institutionalized arrangements such the Tripartite Council, as well as through various ad hoc means. Major societal actors were also involved in the preparation and monitoring of the long-term Lithuania 2030 strategy, working through the State Progress Council. Both the Kubilius and Butkevičius governments carried out public consultation on a number of policy issues, including pension-system reform, a national energy-independence strategy, anti-corruption policy and open-government measures. The

practice of prior consultation in developing regulations is mandated by the Law on the Basics of Legislation.

However, the scope of consultation with societal actors remains insufficient, as the consultation process is limited to an exchange of information and positions, with little attempt to achieve consensus among the stakeholders involved. In addition, according to the 2015 OECD report on regulatory policy in Lithuania, the time allocated to consultation is insufficient, and the quality of feedback is insufficiently high. Moreover, the impact-assessment process also suffers from a lack of consultation, despite the adoption of new legal provisions in recent years to address this issue. For these reasons, the OECD recently recommended that the country develop public-consultation guidelines and allow more time for consultation.

Citation:

OECD, Regulatory Policy in Lithuania: Focusing on the Delivery Side, OECD Reviews of Regulatory Reform, OECD Publishing, Paris, 2015 http://www.oecd-ilibrary.org/governance/regulatory-policy-in-lithuania_9789264239340-en.

Poland

Score 7

The Polish government is obliged by law to consult all parties affected by proposed legislation. It is supposed to discuss all significant reform projects with major interest groups in advance, and has introduced the option of online consultations with ministries as well as the additional Internet-based option of following a bill through the stages of lawmaking. In practice, however, the government's consultation with societal actors is often formalistic. Prime Minister Kopacz managed to achieve a compromise with the miner's trade union in January 2015 following protests that emerged in response to announced plans to shut a down a mine in Silesia. In October 2015, the new Council of Social Dialogue replaced the traditional Tripartite Commission which had ceased operations in June 2013 because of conflicts between trade unions and the government. The council, which will be appointed by the president instead of the prime minister, will have a limited right to initiate legislation. While the participants and the scope of dialogue will essentially remain the same, the council will receive greater funding than the commission.

Citation:

Kotnarowski, M., R. Markowski, M. Wenzel, M. Żerkowska-Balas. 2014. Democratic Audit of Poland 2014. (available in Polish at www.dap.swps.pl), pp. 118 onwards

United Kingdom

Score 7

The UK has less of a tradition, compared to many other EU countries, of systematically incorporating civil society organizations into the decision-making process. Nevertheless, a significant effort has been made since 2010 to make government more open. This effort has led to a substantial increase in policymaking

transparency and has included systematic efforts to consult a range of actors. Although the extent to which social partners are formally engaged in the policymaking process continues to be less than in many other western European countries. The previous coalition government established a “Compact” to govern civil society engagement in the policymaking process in England, under the auspices of a (junior) Minister for Civil Society. Civil society is also listed as one of the responsibilities of the Minister for the Cabinet Office. The UK was a founding member of the Open Government Partnership, as part of which it is committed to producing a national action plan to engage with civil society. The current plan detailed a range of commitments. According to a recent self assessment, some three quarters of these commitments have already been achieved or scheduled, though 27% of these commitments are behind schedule.

Impact assessments are one means by which consultation has been enhanced, with drafts circulated to stakeholders before being finalized. Feedback on these drafts considered before decisions are taken on whether or not to proceed with the policy change under review. In 2014, some 650 public consultation processes took place, all described on the gov.uk website. In addition, a range of Advisory Boards solicit input into the policymaking process in areas such as migration and social security.

Given the pluralist nature of the UK system of interest groups and associations, it can be difficult to identify which organization would be competent and legitimized to speak on a certain issue. The current prime minister, David Cameron, introduced the idea of the “Big Society” in the 2010 general election campaign and pledged to transfer power from central to local government, while encouraging people to volunteer for social work and support civil cooperation. This agenda has had some success, with a 2011 Act of Parliament reinforcing local governments’ rights to engage in independent initiatives.

Examples demonstrate how consultation has been used to formulate policy at an operational level. The Policy Lab in the Cabinet Office is currently working with the public on the future of aging and online crime reporting. Consultation was critical in the “Northern Futures” initiative. An initiative that seems to have paved the way for what is now called the “Northern Powerhouse,” which seeks to foster economic development across the urban belt of northern England.

:

<https://www.gov.uk/government/news/northern-futures-summit> <https://www.gov.uk/government/publications/compact-the-agreement-between-government-and-the-voluntary-community-sector> <http://www.opengovernment.org.uk/about/ogp-action-plans/#section-3>

Belgium

Score 6

There is a strong tradition of consensual policymaking in Belgium (neocorporatist arrangements), whereby the government consults most established stakeholders to facilitate the acceptance of policy. This is especially the case for employers’

associations and trade unions (the so-called social partners) around socioeconomic issues. Such consultations have also become routinized in other fields, with the creation of specific consultative bodies, for instance the Federal Council for Sustainable Development which also gathers representatives of environmental organizations.

The current government has partially broken with this tradition, and has attempted to impose reforms in the areas of pensions, taxes, unemployment and other such matters without the support of trade unions. Arguably, some of this culture of consensus had previously stalled important but necessary reforms. The current government's strategy has come as a cultural shock, however.

Czech Republic

Score 6

The policy process in the Czech Republic is relatively open. In the course of the legislative process, a broad spectrum of social and economic actors is consulted. The main formal means of consultation is a tripartite council including government, trade unions and employers' organizations. This is an arena for consultation on economic and social policy measures, and the council members are also automatically consulted during the process of preparing legislation. Governments are not obliged to respond to outside opinions; however, the Sobotka cabinet is much more open to dialogue with social partners and more willing to listen to trade unions' views. The Sobotka cabinet has sought to broaden social dialogue at the national level and by involving regional tripartite bodies in addressing unemployment in particular regions.

Iceland

Score 6

Iceland has a long tradition of formal and informal consultation between government and labor market associations. The 2008 economic collapse led to greater and closer consultation. In February 2009, the government, the municipalities, and the major labor market associations signed the so-called Stability Pact (Stöðugleikasáttmáli). The main goals were to reduce inflation, lower the government budget deficit and enable the Icelandic króna to strengthen against foreign currencies. However, an open conflict between the government and labor market associations quickly emerged, with labor market associations arguing that not enough had been done to create jobs. In the spring of 2010, the main employers' association withdrew from the pact.

Wage disputes have affected labor market stability for the previous two years and have included doctors and nurses strikes. However, in late 2015, the government, and several trade unions and employers' associations signed a deal on wage contract negotiation methods, which would move Iceland toward the so-called Nordic

corporatism model. This SALEK deal covers about 70% of all trade union members. Whether this deal will last remains to be seen.

A further example of societal consultation has been the process of revising the 1944 constitution. This process involved the creation of a national assembly, comprising 950 individuals selected at random from the national register. In addition, a further 25 constituent assembly representatives were nationally elected from a list of 522 candidates. The constituent assembly, later called the Constitutional Council, unanimously passed a constitutional bill in close accord with the conclusions of the national assembly in 2011. However, parliament is yet to ratify the bill, even though the bill received the support of 67% of the voters in a non-binding referendum in October 2012.

Citation:

Constitutional Bill (2012), <http://www.thjodaratkvaedi.is/2012/en/proposals.html>

Euractiv.com, <http://www.euractiv.com/enlargement/icelanders-opens-way-crowdsourcing-ews-515543>

Gylfason, Thorvaldur, Constitution on ice, in Erlingsdóttir, Irma, Valur Ingimundarson, and Philippe Urfalino (eds.), *The Politics of the Icelandic Crisis* (forthcoming). Also available as CESifo Working Paper No. 5056, November 2014. See https://notendur.hi.is/gylfason/cesifo1_wp5056.pdf

Israel

Score 6

The critical role of civil society during the military operation “Cast Lead” in 2008 and the growing third sector in Israel inspired government decision 3190 for the pursuit of more societal consultation and inter-sectoral cooperation in the policy formation process. Civil protests in 2011 brought the issue of social dialogue to the forefront once more, with public complaints over obscure government budgetary procedures as well as internal pressure from MKs to increase information sharing and transparency. This trend was only partially implemented, mainly by the establishment of a yearly roundtable event in which invited representatives discuss current and future government policies, the launch of designated “open” governmental websites and increased participation of non-governmental organizations (NGOs) in policy debates. In April 2015, the PMO advertised a tender for a new position: Public Sharing and Collaborations Director. As the third sector and alternative media outlets gain a stronger voice in Israeli society, consultations could gain more clout than they currently hold.

Citation:

Limor, Nissan and Avishai, Libat, “Separately and together: Structuring a relationship of cooperation between government and civil society organizations”, JDC publication, 2013 (Hebrew).

“Round table interface: Three years summary,” PMO official brochure, August 2011, (Hebrew).

“Israeli government, civil society and business community”, PMO policy paper, February 2008,(Hebrew).

Shapira, Asaf, “Who privatized my country?,” IDI website, March 2010, (Hebrew).

“The round table and the tri-sectoral discourse,” Civil leadership website (Hebrew).

“Tender 34067“, Ejobs Website 2015:

[https://ejobs.gov.il/gius\(bD1oZSZjPTI4MA==\)/tender/application.do?PARAM=cmNmdHlwZT1waW5zdCZwaW5zdD0wMDUwNTZCRjAwMTEwRUU0QjhCOTIGNUEzNjExQ0IzRg%3D%3D](https://ejobs.gov.il/gius(bD1oZSZjPTI4MA==)/tender/application.do?PARAM=cmNmdHlwZT1waW5zdCZwaW5zdD0wMDUwNTZCRjAwMTEwRUU0QjhCOTIGNUEzNjExQ0IzRg%3D%3D) (Hebrew).

Japan

Score 6

LDP-led governments have traditionally engaged in societal consultation through the so-called iron triangle, which refers to the dense links between parliamentarians, the ministerial bureaucracy, and large companies. However, these mechanisms tended to exclude other societal actors, including the trade union movement and the small and medium-sized enterprise sector. With the onset of economic problems in the 1990s, tensions within this triangle increased, and relations over time became strained enough to indicate the effective demise of the iron triangle system, at least on the national level.

With respect to the current LDP-Komeito coalition, the Buddhist lay association Soka Gakkai provides the bulk of support for Komeito, and it gained some influence on policy matters that relate to the organization’s interests. This became evident during an ongoing row over constitutional reform. The LDP is in favor of this reform, while Soka Gakkai and Komeito have a pacifist background and try to slow down any major initiative.

It is frequently argued that business has considerable influence on government decision making in Japan, recently for example with respect to Japan’s engagement in the negotiations for a trans-Pacific free-trade zone. Substantiating such claims is difficult, as there is a lack of transparent rules governing lobbying. Prime Minister Abe’s expectation that companies would raise wages in the wake of higher profits following the first-round effects of Abenomics has thus far been disappointed. There seems to be little scope for business-state alignment, as major firms have become global players that are decreasingly interested in or bound to the home market.

Citation:

Laura Araki: *Joining the FTA Frenzy. How Japanese Industry Drives Preferential Trade Diplomacy*, Jackson School Focus, Spring 2012, pp. 32-45, http://depts.washington.edu/jsjweb/wp-content/uploads/2012/04/JSJWEBv3n1.Araki_L.pdf

William Pesek, *Why Isn’t Japan Inc. Helping Japan?*, Bloomberg View, 13 January 2015, <http://www.bloombergsview.com/articles/2015-01-13/japan-inc-isnt-very-japanese-any-longer>

Malta

Score 6

A formal consultative structure, called the Malta Council for Economic and Social Development, works well in facilitating consultation between business associations, trade unions and government. While NGOs concerned with social policy tend to be consulted more than those concerned with environmental policy, despite an increase

in the number of policy areas open for public consultation. Such NGOs have benefited from this strategy, but they still experience difficulties. Generally they lack professionalism and organizational capacity, but enjoy greater media exposure. Consultation with civil society has steadily improved since Malta ascended to the EU, but meetings between ministries and civil society have not contributed significantly toward policy development. Regulatory impact assessments require a consultation process, but these consultations have occasionally been superficial.

Citation:

<http://www.timesofmalta.com/articles/view/20151005/local/second-public-consultation-on-regulation-of-drones.587085>

<http://www.timesofmalta.com/articles/view/20150909/local/policy-launched-to-facilitate-use-of-tables-and-chairs-in-public.583770>

<http://www.timesofmalta.com/articles/view/20150910/local/energy-rules-consultation.583796>

<http://www.timesofmalta.com/articles/view/20151028/local/consultation-document-on-language-policy-for-early-years-launched.589986>

<http://www.timesofmalta.com/articles/view/20150918/local/consultation-document-on-free-access-to-bills-published.584900>

<http://www.timesofmalta.com/articles/view/20151010/business-news/Final-consultation-on-green-economy.587604>

<http://www.timesofmalta.com/articles/view/20150829/local/white-paper-on-schools-role-in-alleviating-traffic-congestion-launched.582378>

<http://www.timesofmalta.com/articles/view/20150915/local/white-paper-to-reduce-inspections-bureaucracy-launched.584533>

Slovakia

Score 6

The second Fico government has not assigned much importance to consultation with societal actors. The Solidarity and Development Council established in 2012 does not include social and environmental NGOs or representatives of national minorities. The tripartite consultation on the minimum wage failed with the result that the government took a unilateral decision in increasing the minimum monthly wage from €380 to €405 in 2016. Only in the wake of serious crises has the Fico government consulted with a few select NGOs. For example, the government consulted with a few migration NGOs following widespread international criticism of the government for its response to the EU refugee crisis.

Bulgaria

Score 5

Partly following traditions established during the socialist period, Bulgaria has developed a number of bodies that represent various interests in the process of policymaking. A prime example of this tradition is the National Council for Tripartite Cooperation, which includes representatives of the government, trade unions and employer associations. Over the years this council has evolved into a major forum not only for advice and consultation, but also for the negotiation of various policies and the adoption of specific proposals that are later formally confirmed legislatively. Other societal actors, including minority organizations, environmental and other interest groups are represented in the more than 70 advisory

councils at different levels of government. In practice, however, their influence on decisions is limited. After the wave of protests in 2013-2014, many agencies, and especially independent regulators, opened up their work to public scrutiny and possible proposals during the process of deliberation. This was the case, for example, in the field of energy regulation, which was a major issue fueling the protests.

Citation:

Bohle, Dorothee, and Béla Greskovits. *Capitalist diversity on Europe's periphery*. Cornell University Press, 2012.

Cyprus

Score 5 Consultation with societal actors has been a general practice since the early years of Cyprus' independence. Before promoting policy proposals, governments used to take into account the possible reactions of trade unions or other organized professional associations. However, consultation takes place only when government feels the need to do so, not in any systematic way. This has prompted strong trade unions or interest groups to air their views publically in order to benefit their members. In the period under review, the commitments made by the government to the EU and its creditors have sharply reduced the scope for formulating policies through consultation. The government's primary focus in this regard was thus to forestall discontent on the part of strong public servants' and other labor unions; however, these groups have lost influence under conditions of crisis.

Public consultation before rule-making is a regular but not generalized practice in Cyprus, as elsewhere in the European Union. The results and real role of such consultations are not always transparent.

As previously mentioned, the presidential system leads the government to consult with political parties as well. In most cases, consultation with stakeholders is also accomplished in the course of parliamentary committee meetings.

France

Score 5 The traditional distrust regarding "lobbyists," not seen as legitimate political actors, and the difficult social relations in France that hinder effective social dialogue, have limited the capacity of governments to seamlessly or successfully find avenues of negotiation and cooperation. There are thousands of official or semi-official commissions that are supposed to give opinions on a given issue or area; however, governments tend to prefer negotiations with selected partners, excluding some considered as not being "representative." Consultations are often rather formal, and interested parties very often have no willingness to find a compromise. For these reasons, the temptation to govern top-down has always been strong, provoking in many cases severe, repeated conflicts and protest movements that have often successfully vetoed governmental action.

This being said, things are beginning to change. In recent years, governments have sought the consultation of interest groups more systematically, and these practices have partly been adopted as legal obligations. Moreover, the rules of social negotiations have been modernized to encourage social contracts between employers and trade unions. The 2013 reform bill on the labor market followed an agreement between three (out of five) trade unions and employer's organizations, a pact which was then made into law by the government and parliament. Another example is a similar 2015 agreement on the adaptation of supplementary pensions. Nonetheless, given persistent distrust between the social actors, especially on the part of some unions, progress is slow and there are important setbacks, such as the conflict within Air France and the failure to negotiate an agreement on the social dialogue law (2015). While the Hollande administration tried to involve economic and social actors more systematically in order to gain support for its policies, it has still needed to introduce most of the recent reforms without such support. Given the entrenched attitudes and preferences of the actors involved and the amount of mutual distrust, change will require much time.

Ireland

Score 5

Three public-sector agreements on pay and working conditions were negotiated between 2010 and 2013. The latest of these runs until 2016. The cumulative effect of these measures has been significant changes in pay and working conditions in the public sector, and a marked increase in productivity. However, some trade unions, notably in the educational sector, have rejected these proposals and some significant problems remain unresolved.

By the end of 2015, the markedly improved performance of the economy has shifted the focus onto the need to contain expectations of a rapid easing of the tax and expenditure disciplines put in place in the aftermath of the crisis. It remains to be seen how the new government that will be elected early in 2016 will handle this issue.

The government now consults with workers and employers in the private sector on pay policy to a much lesser extent than was the case before 2008. Wage settlements are largely reached through discussion and negotiation between the affected parties.

:

The latest public-sector agreement is here:

<http://www.per.gov.ie/haddington-road-agreement>

Slovenia

Score 5

Slovenia has a strong tradition of corporatism and of government consultation with interest groups more generally. The Cerar government stuck to this tradition and

discussed part of its legislative initiatives in the Economic and Social Council, the tripartite body for social and economic dialogue. The government managed to reach agreement with the social partners over several cornerstones of its legislative program, including austerity measures in the public sector for 2015. In some cases, however, consultations failed to produce any results, government failed to initiate several important reforms (taxation, health system) and trade unions complained that the government did not take their positions or negotiations seriously.

Spain

Score 5

The conservative Popular Party (Partido Popular, PP) government, which held power throughout the review period, engaged in little consultation with societal actors after it took office in late 2011. Decisions on the radical labor reform and most adjustment measures implemented during these four years were instead made by relying on the party's absolute parliamentary majority. A high priority was placed on the rapid implementation of structural reforms and public-expenditure cuts (affecting not only the labor market, but also the pension system, public administration, local government, access to justice, education and health care systems, external action, etc.), and the government spent little effort seeking support for its policies by unions or professional associations. However, in December 2014, the first and only big social pact of the legislative term was signed; here, the government struck an agreement with the two big trade unions (UGT and CCOO) and the main employers' association (CEOE) to introduce a program aimed at helping the half-million long-term unemployed individuals with families find jobs.

Beyond this, line ministries still tend to consult with the economic and social actors important in their various policy areas, both private (especially businesses associations and Catholic Church) and public (other ministries, autonomous regions, parties), in the course of making decisions. The extent and success of this consultation in preparing policy initiatives depends on the particular sector. In some cases, consultation and exchange of views is institutionalized through advisory bodies, although there are policy areas in which the traditionally good relations with societal actors have today been badly damaged (for example, with NGOs involved in international development assistance, as a result of massive foreign-aid budget cuts).

Citation:

www.elmundo.es/economia/2014/12/15/548ec5e9268e3e0c7e8b4587.html

Turkey

Score 5

The country's civil society is deepening, but the legal, financial and administrative conditions for participatory decision-making need to be improved. Government-society and parliament-society relations are not based on a systematic, ongoing and

structured consultation mechanism. In the 2014 Activity Report of the Grand National Assembly of Turkey, performance indicators assessing the development of civil-society participation and feedback mechanisms within the parliamentary processes were given negative ratings. The EU-Turkey Civil Society Dialogue has helped sponsor a number of projects involving participation by more than 40 civil-society organizations from Turkey and the EU with the goal of enabling civil society to contribute to the political reform process. Several additional mechanisms also facilitate societal participation. Development and strategic plans, as well as e-transformation projects, involve stakeholder participation. Moreover, institutions such as the Economic and Social Council, city councils, the Minimum Wage Determination Commission, and Web-based public-consultation applications provide participatory platforms when used effectively. However, restrictions on civil-society organizations' participation in local administrations' decision-making processes particularly need to be lifted. About 70,000 people and 426 organizations submitted their opinions electronically or in writing during the process of drafting the new constitution in 2012. Stakeholder participation is required under the Environmental Impact Assessment Regulation. However, governmental authorities consider this requirement to have a "slowing" effect on "progressive" projects such as urban renewal or the planning of hydroelectric power plants. Although it is required by the legal framework, societal consultation has largely been neglected or rendered ineffective.

Citation:

TBMM Başkanlığı İdari Teşkilatı 2014 Faaliyet Raporu, https://www.tbmm.gov.tr/docs/faaliyet_raporu_2014.pdf (accessed 27 October 2015).

Türkiye'de Hidroelektrik Sektöründe Paydaş Analizi, İstanbul: WWF-Türkiye, 2015, http://awsassets.wwftr.panda.org/downloads/wwf_paydas_analizi.pdf (accessed 27 October 2015).

Civil Society Dialogue, Political Criteria Projects, <http://civilsocietydialogue.org/masonry-grid/> (accessed 27 October 2015).

Ayşe Buğra and Osman Savaşkan, *New Capitalism in Turkey The Relationship between Politics, Religion and Business*, Cheltenham and Northampton: Edward Elgar Publishing, 2014.

Hakan Yerlikaya, *Kamu Politikalarının Oluşturulmasında Katılımcılık ve Bilgi ve İletişim Teknolojileri*, Uzmanlık Tezi, TC Kalkınma Bakanlığı, 2015.

Gökçeçişek Ayata and Ulaş Karan, *Sivil Topluma Aktif Katılım: Uluslararası Standartlar, Ulusal Mevzuattaki Engeller, Öneriler*, İstanbul: TÜSEV, 2015.

Croatia

Score 4

Consultation of societal actors in Croatia has been governed by the 2009 Societal Consultation Codex. In practice, consultation has been limited, and the economic crisis has caused a general trend of weakening with regard to the mechanism of social dialogue as an instrument for policymaking. Under the Milanović government, the tripartite dialogue between representatives of the government, employers and trade unions in the Economic and Social Council has been marked by a lack of trust and respect.

Italy

Score 4

Cabinet consultations with economic and social actors have not been one of the main priorities of the Renzi government. Pressed by the need to face a very difficult budgetary and economic situation, recent governments have been reluctant to involve themselves in long and (according to past experience) unproductive consultations. Prime Minister Renzi in particular, who is keen to communicate the image of an innovative and rapid-response government, has tried to avoid entangling himself in official discussions with trade unions, which are increasingly less popular. He has also publicly criticized trade union leaders for being too conservative and focused on the interests of the most protected employees, while ignoring the problems of unemployed people.

The 2014 reform of labor law – the so-called Jobs Act – was promoted by the executive office without engaging social interests in its preliminary drafting. This does not mean that contacts with individual trade union leaders have not taken place and that low-level consultations do not exist. Relations between the government and the employers' association, Confindustria, have become tighter. However, Prime Minister Renzi has abstained from Confindustria assemblies, which were almost obligatory for previous prime ministers.

On the other hand, the prime minister and the government are in continuous dialogue with traditional societal actors, such as institutionalized trade unions and business associations.

Mexico

Score 4

President Peña Nieto is not known as a great communicator. He is more hierarchical in his approach to consultation than either of his predecessors. His approach is to negotiate at the highest level of politics (i.e., with party leaders) and to rely on those involved to employ sufficient weight to enable reform to proceed. Thus, he undertakes intensive consultations with the leaders of Mexico's political parties but social actors are less involved, perhaps because they are seen as potential opponents. This is in line with the Institutional Revolutionary Party's tradition of corporatism, where participation has flowed mainly through corporatist party channels rather than through independent civil-society organizations. This has worked well enough so far. Some participatory involvement occurs at the local and state level, in the form of experiments with participatory budgeting, roundtables with stakeholder consultation, and so on. While these types of consultation processes are not as strong as in other Latin American countries, they have become more common in Mexico. The government's lackluster approach toward the disappearance - and likely murder - of 43 university students, as well as other similar incidents, has had a negative effect on its relations with civil-society groups.

Portugal

Score 4 The government does consult with some societal actors. For example, the Social and Economic Council (Conselho Económico e Social, CES) serves as a constitutional body for consultation and social concertation. Within the CES, there is a Standing Committee on Social Concertation (Comissão Permanente de Concertação Social, CPCS) that brings together the government, employer associations and trade unions. The CES and the CPCS continued to hold regular discussions during the period under review. This is clear in the CES' plan of activities and in their press releases. However, as noted in the two previous SGI reports, since mid-2012 there has been a gradual weakening of the government's ability to generate support, particularly as austerity measures have advanced.

During the period under review, Silva Peneda resigned as president of the CES in May 2015 in order to take up a position in Brussels. In a letter written to the president of the parliament, Peneda noted a number of concerns regarding the functioning of the CES.

Citation:

See the CES Plan of Activities for the period under consideration at www.ces.pt/.../PLANO%DE%ACTIVIDADES%20CES%202015_re

Cristina Oliveira da Silva (2015), "Silva Peneda 'preocupado' com 'regular funcionamento' do CES," *Diário Económico*, 18/3/2015, available online at: http://economico.sapo.pt/noticias/silva-peneda-preocupado-com-regular-funcionamento-do-ces_214203.html

Romania

Score 4 Consultation with societal actors remained limited in 2014 and 2015, with emergency ordinances used on a regular basis. While the government consulted social actors in discussing amendments to electoral law and the Fiscal Codes, few of the recommendations made by social actors were integrated into the reforms. The government also ignored public calls to postpone legislation. In October 2015, Prime Minister Ponta initiated monthly meetings on the issue of refugees, where interested state authorities and NGOs could discuss refugee integration. After Ponta's resignation, Iohannis invited the protesters and some publicly recognized NGOs to take part in consultations with him. On 6 November 2015, twenty civil-society leaders representing the Group for Social Dialogues, the Union of Romania's Students, Freedom House, the Foundation for the Development of Civil Society met with the president. In a statement issued by the administration "civil society will continue to be in the future a partner for dialogue of the Presidential Administration and similar consultations will be held regularly." Though presently symbolic in nature and without long-term tangible impacts, the promise of greater societal consultation represents a beacon of hope for Romania's democratic future.

Greece

Score 3 Since 2010, the Greek government has sought to manage economic problems through austerity measures, which unions have fiercely opposed. At the same time both large and small interest groups have fought to maintain their collective rights and privileges. In 2014, the divide between government and most societal actors remained deep. After Syriza's electoral victory in January 2015 and the formation of Syriza-ANEL coalition government, some consultation took place with groups which had supported Syriza's drive to win power, such as trade unions of teachers, groups of university professors and the association of journalists of the shuttered public broadcaster (ERT, who were re-hired after ERT was re-opened by the Syriza-ANEL government). The new government also consulted with representatives of industrialists, merchants and the liberal professions who wanted to voice their views on motives and stimuli for private investment and on the policy measures of the third bailout package which will most certainly affect them in 2016.

South Korea

Score 3 Park Geun-Hye's administration, like the previous Lee Myung-bak administration, governs in a hierarchical style. This represents an explicit rejection of the Roh administration's vision of a "participatory democracy," and has particularly entailed a course of confrontation with labor unions. Park has maintained a hard-line stance toward labor unions and civil society. Her unilateral decision-making style has created a perception of unpredictability, and has weakened the autonomy and activities of government organizations. The Park administration has consulted with an extremely narrow range of social actors, but this has typically taken place after decisions were made rather than during the policy-development process. Her lack of communication with opposition parties and the public has prompted criticism even within her own Saenuri Party. Many observers are concerned about the return of a more authoritarian style of leadership that deemphasizes civil-society consultation, freedom of expression and the diversity of published opinions.

Citation:
E-People, <http://www.epeople.go.kr>

Hungary

Score 2 The Orbán governments have largely refrained from consulting with independent societal actors. Prime Minister Orbán has argued that the government's two-thirds majority has vested it with sufficient legitimacy to carry out profound changes without consulting stakeholders. The second Orbán government abolished the former

tripartite National Interest Reconciliation Council (OÉT) and replaced it in October 2011 with a new National Economic and Social Council (NGTT), with more limited competencies. Unlike its predecessor, this body meets very rarely and cannot make any decisions, thus primarily serving the goal of showing the government's commitment to some sort of social dialogue. However, the austerity budget for 2015 created such a public uproar that the NGTT members demanded a special session about the budget in November 2014. As an alternative to consultation with societal actors, the Orbán government introduced a system of “national consultations” – essentially questionnaires sent to all households. In the period under review, questions focused on “immigration and terrorism” (May 2015) and on the internet (September 2015).

Address | Contact

Bertelsmann Stiftung
Carl-Bertelsmann-Straße 256
33311 Gütersloh
Germany
Phone +49 5241 81-0

Dr. Daniel Schraad-Tischler
Phone +49 5241 81-81240
daniel.schraad-tischler@bertelsmann-stiftung.de

Dr. Christian Kroll
Phone +49 5241 81-81471
christian.kroll@bertelsmann-stiftung.de

Dr. Christof Schiller
Phone +49 5241 81-81470
christof.schiller@bertelsmann-stiftung.de

Pia Paulini
Phone +49 5241 81-81468
pia.paulini@bertelsmann-stiftung.de

www.bertelsmann-stiftung.de
www.sgi-network.org