ON THE WAY TO THE LOCAL STATE?

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Give municipalities more powers and the right to collect taxes, and you increase the likelihood that they’ll succeed with the additional care responsibilities imposed on them, says Klaartje Peters, endowed professor of Local and Regional Management. This would be a step towards the ‘local state’. But is The Hague really willing to cede some of its powers? “Organisations are not good at undercutting themselves.”

As of 1 January 2015, the municipalities will have additional healthcare responsibilities, including youth care and long-term care for disabled people. There is no shortage of unease: these are new tasks for the municipalities, and some question whether they have the appropriate expertise. Moreover, they will certainly have to contend with severely limited funding. Can this possibly go well? “It’s fair to say that no one knows”, Peters admits. “The situation can probably be attributed to the cutbacks, but in any event it’s going to be a challenge for the municipalities.”

Almost an impossible one, in fact, for small municipalities, Peters points out that they will have to collaborate with neighbouring municipalities and numerous social parties, but no one knows exactly what form this collaboration should take. The risk is that city councils will lose even more influence over decision making, and large care organisations will get a large piece of the pie. “These powerful clubs, which often cover entire regions, can put small municipalities on the spot. This is what our services cost, period.” Can local civil servants really serve as a counterweight to all these parties? “That’s a real concern.”

More policymaking power

Large municipalities will be better able to cope with external parties. But at the same time, their healthcare problems are larger and more complex, often involving hundreds of families in which poverty, school problems and criminality coexist. “In large municipalities many departments are involved in a single case, but these services are often compartmentalised. The hope is that under the new system these efforts will become more integrated. A big challenge is whether the municipalities will manage to put the client first.”

In Peters’s view, to increase the likelihood of success the municipalities need more policymaking power. In her inaugural address ‘The local state’, she asks whether the local council approaches the national government in importance. The answer is no – at least not yet. The councils are chained to The Hague in terms of legislation and regulation, and – given their limited powers to collect their own taxes – in terms of revenue too. Ultimately, this will not be financially sustainable. “The only way forward is for the local authorities to gradually begin collecting their own taxes.”
Local autonomy

This development towards local autonomy is the only way to change the power relationship between national and local governments, says Peters, who describes herself as a researcher with a 'power perspective'. "Whoever has the money has the power. Having your own source of income is very different to receiving pocket money and having little freedom to spend it at your own discretion." This will be the big question of the future: will the ruler, in this case the state, cede some of its own powers? Peters will have to see it to believe it. "The government is a divided power. A minister or the cabinet might promise the municipalities more freedom, but what will the House of Representatives do if big differences arise from one municipality to the next?" Moreover, public servants at the national level would have to cut into their own bread and butter. "Organisations are not good at undercutting themselves."

The main question for the public is whether the transfer of responsibilities will improve or harm the quality of care. This, too, no one knows. Peters warns that there will certainly be less money to go around. There is also justifiable concern about whether civil servants can really assess which specialist help an individual needs. "The uncertainty alone can be awful. Imagine that after years of searching you've finally found the right help for your severely disabled child. The last thing you want to do is disrupt this." It is hoped, however, that because municipalities are closer to their populations, they will be better able to judge who needs what care. "It's easier for a municipality to talk things over with the client: what can you still do yourself? Can your children help out?" In this sense, the transfer of powers fits well with the notion of a transition from welfare state to 'participation society'. "This works better with a local government that takes the lead."

Nice words

Peters believes that more municipal discretion would be good for local democracy. Through local elections, citizens would be able to have a say in important areas like healthcare. "You get more intense local politics, but the parties would have to become more outspoken. Vote for us and the well-off will pay more for the healthcare needs of other residents, that sort of thing. At present, local election campaigns tend to rely on blah blah like 'we'll make sure everyone gets the care they need'." This, however, remains some way off: "For now, the Dutch state is the boss and the local council trails far behind."

Klaartje Peters (1969) is endowed professor of Local and Regional Management at the Faculty of Arts and Social Sciences, Maastricht University. Her PhD thesis, ‘Shared power’ ('Verdeelde macht'), focused on power relations in Dutch public administration. She published a much-discussed book on the provincial council in the Netherlands, ‘The bloated government’ ('Het opgeblazen bestuur'), in 2007, and will soon complete her new book on the 'purple' cabinets between 1994 and 2002. Peters is also chair of the Maastricht Audit Office.