Netherlands Report
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Sustainable Governance Indicators 2020
Executive Summary

Developments have effectively turned the third cabinet led by Mark Rutte as prime minister (Rutte III) into a minority government that requires support from non-coalition parties to implement its government agreement, at least to the degree possible. The Rutte III cabinet consists of four political parties (VVD, CDA, D66, CU). It began with the smallest-possible parliamentary majority (76 out of 150 seats), but lost this when one VVD lawmaker, ousted due to violations of ethics rules, broke away from his parliamentary party group but decided to keep his seat nonetheless. Meanwhile, the Dutch political landscape has changed. In the 2019 provincial elections, the right-wing populist Forum for Democracy party, a political newcomer, proved to be the big winner. Although the party participated in government coalition negotiations in all provinces (there is no formal “cordon sanitaire” in the Netherlands), it failed to gain a foothold in the government anywhere. However, it entered the Senate with 12 seats, the same number as the VVD, which had heretofore been the largest party. In the subsequent European Parliament elections, this right-wing populist surge was pushed back; the Forum for Democracy achieved just three seats, while Geert Wilders’ Party for Freedom won none.

After a very slow start in 2017, the government managed to make good on its important promises to implement comprehensive new pension and climate agreements. In keeping with tradition, these legislative initiatives were first largely outsourced to societal consultative procedures (e.g., platforms or roundtables) in order to generate sufficient political acceptability (“draagvlak”), before being advanced to the parliamentary debate and approval stages. For some observers, these societal consultative procedures testify to the above-average quality and active role of civil society in Dutch democracy. To others, they demonstrate procedural sluggishness and the veto power wielded by organized societal interest groups such as business associations and trade unions. In the case of the pension agreement, this latter judgment appeared vindicated following the European Central Bank’s (ECB) ruling to reduce interest rates to an extremely low level, which had the effect of cutting into the obligatory financial reserves of the private pension funds. This immediately demonstrated the brittleness of the agreement, with the trade unions threatening to renege. In the case of the climate agreement, the ink of the stakeholders’ signatures had hardly dried when courts forced the government
into a state of crisis management. In one case, the Supreme Court (Hoogerechtshof), upheld a previous verdict that the government had made insufficient effort to meet its own pledges in the Paris Accords. In separate cases, the High Court (Raad van State) ruled that the state had been negligent in failing to protect Nature 2000 areas from nitrogen deposits, and that the transport of toxic/polluted soil presented a risk to the general health of the population. The final outcome of this clash between the executive and the judicial branches of government remains to be seen. Nevertheless, it appears clear that the passage of the national climate agreement has placed climate-change policy high on the political agenda.

Since the 2007 – 2008 financial meltdown, strict austerity policies have produced a solid economic recovery, particularly over the last five years. However, this has been achieved at the cost of generating an inward-looking and volatile electorate. In a rather sudden turnaround, the Rutte III cabinet dumped its previous support for neoliberal austerity and business tax cuts in favor of policies aiming to repair a decade of growing income inequalities, focusing especially on the middle classes. This turn toward redistributive policy was in no small measure triggered by the fear that the costs of the climate agreement would be disproportionately borne by tax-paying citizens, instead of by polluting enterprises that had to be pushed toward environmentally friendly behavior.

The performance of economic and social policies proved largely comparable to the previous year. Unemployment rates have declined substantially in recent years, although high rates of youth unemployment, almost exclusively in the non-regular and underpaid sectors of the labor market, remain cause for concern. The Dutch continue to do moderately well in most areas of social sustainability. That said, the systemic crisis in the education sector has manifested in teacher strikes, with teachers demanding higher wages (to attract better-quality teachers and alleviate the present shortage of qualified teachers), smaller classrooms and less work pressure. An excessively soft approach to anti-discrimination policy in recent years appears to have been an important driver in the establishment of DENK, a political party that appeals to Dutch citizens of second- and third-generation Turkish and Moroccan descent. DENK has been unable or unwilling to put the issue of integration on the national or local agendas. Instead, symbols of racism such as the Zwarte Piet (“Black Pete”) have mobilized the radical right, while the issue of racism has gained traction within mainstream debates due to hooligan scandals during soccer matches. Persistent anxieties among voters concerning immigration issues have also strengthened anti-immigration parties such as Forum for Democracy. In the realm of healthcare policy, excessive overall cost increases have been prevented; but prices for a large number of medicines have spiked.
The hybrid public-private healthcare system, given the amount of political turmoil following the sudden bankruptcy of several hospitals, appears to be losing legitimacy among left-of-center political parties and among citizens at large.

Regarding rule-of-law performance, almost all institutions related to public safety and security, but especially the police and the judicial branch, currently face substantial challenges and are under increasing stress. Providing grounds for persistent concern, the political parties and government bureaucracy have shown an increasing disregard for rule-of-law requirements. For example, by relentlessly prosecuting as frauds families (often with only a single parent) that received childcare premiums on potentially dubious grounds, the tax authorities have severely duped hundreds or even thousands of bona fide families.

The government apparatus is clearly lacking in the areas of executive capacity and accountability. There are visible and increasing implementation problems in many policy domains (e.g., teaching, agriculture, construction, hospital and youth care, policing, and maybe even the tax system), indicating that the lean government approach of recent years has left deep wounds that will not heal quickly. Interministerial coordination and agency monitoring efforts are substandard. There are increasing problems with the country’s public ICT systems and large-scale rail and road infrastructure. Regarding water management, a traditionally strong area of Dutch governance, administrative reforms have been implemented more smoothly. Budget cuts associated with the devolution of central-government welfare functions, for instance in areas such as youth care, has effectively threatened the long-term decentralization of welfare policies to local governments. In the area of public safety and security, a contrary trend toward rapid centralization and bureaucratization has led to problems in policing (e.g., staffing, regional and local presence, and ethics concerns) and, as has become abundantly clear, the judiciary (in the court system generally, and with the management of judges and access to the judicial system more specifically). In the realm of accountability, weak intra-party democracy and a lack of citizen policy knowledge are causes for concern. At the local level, experiments with more inclusive participatory and deliberative policymaking tools are increasingly common. However, these are rarely able to address systemic issues, as they are still limited to the margins of community-level policy.

Overall, Dutch politics and policies still appear sustainable. However, challenges are accumulating. The government should seek to loosen policy deadlocks over attempts to address socioeconomic inequalities, address climate-change deficits, involve citizens more in the early stages of
policymaking, enhance local government and citizen participation in policy implementation, set clear goals and priorities in the areas of environmental and energy policy, and tackle the looming policing and judicial-system crises.

Key Challenges

Three challenges affecting the sustainability of governance in the Netherlands remain insufficiently addressed: the maintenance of traditional state functions and the integrity of the separation of powers, the transition to a sustainable economy, and the need to address growing inequalities in income and living standards. However, long-term sustainable-governance issues in the country overall present a highly mixed picture.

With regard to policy-performance indicators, on the one hand, the country appears to live up to its double reputation of proper economic and social policymaking. The government has shown solid, traditional macroeconomic management, and has preserved international competitiveness. Within these constraints, it has also retained its commitment to the social management of care – that is, by maximizing the probability of good care for every citizen, especially for the elderly, the sick and the economically disadvantaged (e.g., unemployed or poor people). On the other hand, efforts to pursue environmentally sustainable practices headed into a crisis in 2019, felt particularly within the agriculture, infrastructure and home-construction sectors. Serious implementation gaps and manpower shortages have emerged in policy areas including education, housing, (youth and hospital) care, infrastructure construction, public transport, and policing and judicial work – these latter two areas all the more worrisome given efforts to fight drug-related and (financial) cybercrime. These shortcomings represent the scars left by a decade of austerity policies and efforts to do more with less.

The first challenge involves ensuring that traditional state functions are well maintained. In this regard, the Dutch will have to increase their military capacity and spending over a relatively short period. Reforms to the police force, judiciary and public prosecution service have run into implementation obstacles and produced serious ethical concerns. Without adequate attention, these problems may become chronic. Government tasks in the domain of the public finances require that tax officials’ integrity be unimpeachable, and that serious steps are taken to tackle the country’s reputation as a tax haven for large sums of foreign (U.S. and Russian) capital. In large parts of the country, there are serious symptoms of state failure with regard to protecting citizens
from violence in the fight against drug-related crime. The police and judiciary have failed to stop the country from sliding toward becoming a so-called narcostate; porous harbors make the Netherlands the biggest entry point for drugs to the rest of Europe, and ineffective policing of sparsely populated rural areas has helped the country become the biggest exporter of synthetic drugs.

Part of this challenge relates to the functioning of the Dutch political system as a trias politica model, or example of the separation of powers. Parliament increasingly lacks control over the executive. More and more tax income (legally) escapes parliamentary accountability rules. Compared to many other countries, the intellectual and financial resources provided to parliament are minimal. There is little effort to impose firm regulation of the conduct and finances of political parties, even though this makes them more reliant on and vulnerable to external funding. Even policy formulation itself is outsourced to government-sponsored think tanks, increasingly to commercial consultancies, and to the institutionalized stakeholder-consultation process referred to as “poldering.” Second and equally worrisome are symptoms of weakening of the judicial branch. The independence of the judicial branch is under pressure due to financial problems caused by government policy that has subjected the courts to performance-based pay – that is, pay per completed case. This has pushed judges to prioritize speed over quality. Judges and other personnel at the courts complain about work overload, which in turn leads to long delays in the resolution of court cases. The accessibility of the judiciary for citizens with minimal or merely average resources has been diminished by decisions to reduce the number of courts, and to reduce funding for the fees paid to public-interest lawyers, who are leaving the profession in droves.

The second major task is to design and facilitate a shift toward a sustainable economy. In large part, this is a matter of achieving environmental sustainability. The strong economic recovery experienced by the Netherlands has a flip side, in that it took a series of court rulings and a verdict by the High Council of State to push the government to begin catching up with the rest of the European Union with regard to implementing climate-change policies seriously. The rapid phase-out of natural-gas production before 2030 means that it will be vital to develop a new energy policy based on a transition to renewable energy sources. Public investment in sustainable transportation infrastructure can no longer be postponed in view of a looming congestion crisis. For all its innovation, Dutch agriculture contributes significantly to carbon dioxide and nitrogen emissions, as well as to the outbreak of diseases due to intensive livestock production, and must therefore be reformed. Nevertheless, the policy dynamics of 2019 may have proved to produce a turning point in heading toward the sustainable economy of the future.
The other part of achieving a sustainable economy is addressing increased socioeconomic inequality. As it is least rhetorically leaving neoliberalism behind, the government will have to adjust its income and tax laws. Foreseeable technological innovations (particularly digitalization, big data and the use of robots) necessitate modernization of the education system and the labor market. So far, labor-market reform is the only such area in which a long-term plan has been developed. Emergent and potentially disruptive technological innovation requires the development of a strategic approach to digitalization that will address its effects on human rights, while also introducing regulation and control mechanisms, and developing consensus-building mechanisms able to handle contentious (ethical) issues. The increasing segregation across levels and types of schools needs to be addressed. The relevance of existing educational qualifications in a rapidly changing labor market is increasingly questionable, and education at all levels is inadequately financed and staffed.

The third longer-term task is to strike a balance between identity politics and globalization. In the Netherlands, globalization manifests itself (among other indicators) through continuous immigration and an increasingly multiethnic population. Yet, to date, there has been no public debate about the future demographic composition and size of the population. The “Black Pete” disorders (which diminished in 2019), the housing shortage, overcrowding in trains, traffic congestion and ecological pressure more generally all signal the urgent need for new policies able to address the interdependent issues of sustainability, ethnicity and globalization. For the open Dutch economy, cooperation within the European context is crucial. And indeed, the Dutch government and the country’s political parties appear to have made a turn back toward Europe.

It is increasingly clear that tackling these challenges will require new modes of constructive citizen participation and representation beyond traditional expressions such as protests and large-scale demonstrations. The gap between government policy on the one hand, and citizens’ feelings and experiences on the other, has created significant discontent and anti-establishment sentiment, feeding populist calls for more direct democracy. In view of recent negative experiences with national referendums in the Netherlands and elsewhere in Europe (e.g., the United Kingdom and Catalonia), the Rutte III cabinet, as one of its first policy actions, abandoned the national consultative referendum. Participatory democratic practices are (again) limited to the local and municipal level. Critics have called for a change of course away from “defensive” participation to the opening of a “second track” – that is, a more proactive form of participation, based on open dialogue, trust and cooperation. The extent to which this will be realized remains unclear.
The country’s new political cleavages – between citizens favoring closed and open borders; between freedom for corporations and stricter disciplinary interventions for ordinary citizens; between urban and rural populations; between younger and older generations; and between expert-led, evidence-informed governance and bottom-up citizen participation – must ultimately be overcome if the viability and sustainability of the Netherlands’ democratic society is to be ensured. This means there must be a simultaneous political focus on substantive policy issues, implementation gaps and political issues such as stricter rule-of-law monitoring and innovative modes of democracy.

Citation:
P. Scheffer, De vorm van vrijheid, Amsterdam University Press, 2018
M. Chavannes, Zo glipt de democratie door onze vingers (podcast De Correspondent).
NRC-Handelsblad, 19 October 2019. Eindelijk: ons geduld is op.
NRC Next, 30 August, 2019. Vergeet de jongere niet, zegt de SER.
NRC-Handelsblad, De boer moet beter op de natuur letten, 10 September 2018
WRR Verkenning nr. 38, De nieuwe verscheidenheid. Toennende diversiteit naar herkomst in Nederland, 29 May 2018

Party Polarization

At the national level, the Dutch political-party landscape is more fragmented than ever, with relatively moderate polarization on economic issues and substantial polarization on cultural issues. In particular, debates related to immigration, multiculturalism and the social integration of ethnic minorities are particularly polarized.

Following the 2017 electoral results, several existing trends combined to increase political polarization: the Rutte II coalition cabinet that comprised the conservative-liberal People’s Party for Freedom and Democracy (VVD), and the Labor Party (PvdA) lost heavily; the number of effective political parties in parliament reached an all-time high; the three main centrist political parties – Christian Democratic Appeal (CDA), PvdA and VVD – won fewer parliamentary seats than ever; electoral volatility was only higher in 2002 when Pim Fortuyn List (LPF) entered parliament with a stunning 24 seats; and left-wing political parties won an all-time low of only 42 parliamentary seats, having lost a combined 20 seats. Volatility and fragmentation is primarily caused by voters having a greater choice of closely related political parties.
For example, voters can choose between a confessional set of three parties (i.e., CDA, SGP and CU), a socioeconomically moderate right-wing set of three parties (i.e., VVD, CDA and D66) and a progressive left-wing set of five parties (i.e., PvdA, D66, GreenLeft, Socialist Party and Party for the Animals (PvdD)), in addition to a cluster of outsider parties (e.g., PvdD and PVV) and several newcomers (50PLUS, DENK and Forum for Democracy). Of the new parties, 50PLUS appeals to discontented pensioners; DENK appeals to well-educated, typically young voters of Turkish and Moroccan descent; and Forum for Democracy, which surprised many by winning the 2019 provincial elections and entering the Senate as the second-largest party, appeals to culturally conservative, younger voters with anti-elite and anti-Europe sentiments.

Ideological polarization on the economic left-right dimension is moderate. Over the last 25 years, Dutch voters have held relatively stable preferences on issues such as income inequality and redistribution, taxation, and the economy. In 2019, the inequality issue regained a high level of prominence in party and governmental politics. However, on the cultural dimension several issues have seen substantial shifts in public opinion. In particular, public opinions on immigration, integration and European unification have become more negative. Even in one of the most proportional representative systems in the world, with very few entry restrictions on new political parties, about a third of the electorate – disproportionately in the lower-income and lower educational attainment brackets – feel there is no party they can sufficiently identify with. Competition for these voters may have resulted in more inter-group polarization among political parties (on issues like immigration, religion and education), and has manifested itself in impolite, harsh and frequently insulting statements by politicians in the press, on social media and even in parliamentary debates. This has also resulted in lower levels of public trust in the major political institutions and parties, and in particular politicians.

At the national level, the record number of days required to form the four-party Rutte III cabinet is a sign of political fragmentation making government formation and policymaking more difficult. In its latter days, the Rutte II cabinet lost its majority in the Second Chamber but remained capable of governing through the formation of ad hoc majorities in the Senate, a situation that has reoccurred since June 2019. Fragmentation and polarization appear to be much more of a policymaking problem at the level of local politics and administration. Fragmentation is worse at the municipal level because local political parties have won well over a third of the total number of seats in local councils, resulting in a large influx of relatively inexperienced politicians with radical political agendas. Frequent political-party schisms at the local level also make the formation of working majorities more difficult to achieve and
result in longer periods for local-government formation. National political parties, at both extremes of the political spectrum, managed to win a considerable share of municipal council seats. At the local level, one frequently observes issue linkages of traditional issues (e.g., parking spots in cities or social housing with “preferential treatment” of refugees) and immigration/integration issues. (Score: 7)

Citation:

J. van den Berg, Versplintering, voor en tegen, 17 February 2017 (columns.parlement.com, accessed 1 November 2018)

S. de Lange, Besturen in een gepolariseerde samenleving, Binnenlands Bestuur, 18 January 2018


A. Krouwel en B. Geurkink, Politieke fragmentatie in Nederlandse gemeenteraden, Jaarboek van de Griffier, 2016, 127-139
Policy Performance

I. Economic Policies

Economy

The Dutch economy grew by 2.8% in 2018, the sixth consecutive year of considerable positive economic growth. Overall, conventional indicators of the economic cycle are performing well – indeed, they are the highest among EU member states, according to the World Economic Forum’s Global Competitiveness Report (GCR) 2019. Trust indicators for business and consumers have declined from a peak in early 2018, but (in December 2018) are still quite optimistic.

The economy’s international standing has been steady, with the Netherlands ranking fourth out of 141 countries in the 2019 GCR, only behind Hong Kong, the United States and Singapore. The Netherlands scores highly in the areas of macroeconomic stability, health, infrastructure quality and business dynamism. However, its performance has slightly declined with respect to infrastructure, labor-force skill levels, product-market efficiency (especially the complexity of tariffs) and innovation capability.

In sum, although the Netherlands was caught in a long-term slump, strong economic recovery since 2013 has now led to a booming economy. Nevertheless, in terms of the euro zone, Dutch economic performance is average. Political debate on economic policy has turned strongly toward issues of inequality, and especially the well-documented fact that in spite of the country’s satisfactory macroeconomic performance and well-balanced state budget, Dutch households have yet to experience serious improvements in recent years with regard to consumption spending and quality of life.

Citation:

Labor Markets

In July 2019, 3.3% of the working population was unemployed, down from 3.9% the year before. The youth unemployment rate was 8.9% in June 2017, declining to 7.2% in July 2018. Nevertheless, some observers consider youth unemployment to be a serious threat to the country’s long-term prospects. An estimated 138,000 young people are not in education or employment. Youth unemployment rates are twice as high among those without an official qualification and among those with a migration background. A large proportion of those young people lack a basic level of literacy, computer literacy or technical craft skills. Better educational and school-to-work transitional arrangements are crucial. Other labor-market weaknesses include relatively low labor-market participation rates among migrants, especially young migrants; an increasingly two-tiered labor market that separates (typically older) “insiders” with significant job security and (old and young) “outsiders,” who are often “independent workers,” lack employment protection and have little to no job security; and high levels of workplace pressure. Although the proportion of fixed jobs surpassed flexible jobs in 2017, the flexibilization of jobs remains a highly salient trend. As of 2018, the ratio of flexible to fixed jobs was 40% flexible to 60% fixed, while in 2003 it was 25% to 75%. The majority of 15- to 25-year-old employees work flexible jobs, with a ratio of 27:73 in 2018, compared to 45:55 in 2003. In Europe this makes the Netherlands an outlier in terms of work flexibilization. This “dualization” of the labor market between well-protected older workers and less protected younger ones is attributed to government policy; for firms, flexible workers are financially much more attractive (ceteris paribus by as much as 7% in labor costs) than are workers with fixed contracts. An OECD report judges the Dutch labor-market situation as being problematic in the long run, because firms will invest less in the education of their flexible workers, thereby threatening the long-term labor productivity of the economy as a whole. In late 2018, the government established an independent expert commission tasked with designing policies that would align labor law, social security and fiscal policies with a view to redesigning the labor market to benefit all workers in a sustainable national economy.

Citation:
M. Stellinga, Revolutie op de markt voor arbeid, NRC-Handelsblad, 6 July, 2019
CBS, Werkloosheid voor vierde maand op rij 3.9 procent (19 July, 2018)
Taxes

Taxation policy in the Netherlands still addresses the trade-off between equity and competitiveness reasonably well. Looking at average income, pre-taxes in the Netherlands have a Gini coefficient of 0.563 (in 2015), after-taxes (and other redistributive measures) it is only 0.295 (in 2015). However, including wealth, the Gini index jumps to 0.92. The Netherlands has a progressive system of income taxation which contributes to vertical equity. In general, income-tax rates range between 30% for lower and 52% for higher income levels. There is a separate tax for wealth. Lower-income groups are affected most significantly by indirect taxes and local taxes. Yet, tax pressure for every income group, from low to high, is allegedly approximately 37%. Yet partly as a result of ad hoc measures to alleviate crisis impacts, the tax system loses credibility because of its increasingly unequal treatment of different groups. For example, between self-employed and employed workers, between entrepreneurs operating as sole traders or private limited companies, between single-parent families and families where both parents earn a living, and between small savers and the very wealthy. There is more inequality than meets the eye. In particular, middle-income families only manage to make ends meet because women are working more; increasing the number of hours worked per household and the female labor participation rate.

It appears that the general political mood definitively switched 2018 – 2019 from a focus on austerity and budget balancing to one on reducing inequality and unsustainability. The Council of State calculated that collective tax burdens on citizens and firms had increased by 2.7% to 39.6% of GDP since 2015, despite the government’s plans to reduce taxes. All political parties expressed concerns about the stagnation of middle-class incomes, the high rates of taxes on labor, the excessive size of CEO salaries, tax evasion by multinational corporations, and the lack of fiscal incentives for housing, innovation and sustainable (economic) projects.

Corporate income tax for foreign companies – an aspect of the trade-off between horizontal equity and competitiveness – has also come under more intense political scrutiny. An extensive treaty network that encompasses 90 tax treaties aims at protecting foreign companies from paying too much tax, effectively makes the Netherlands a tax haven, a view that even the OECD and the European Parliament have expressed.
Budgetary Policy
Score: 9

Although budgetary policy has considerably improved over the last few years due to strong economic growth, worries remain over its long-term sustainability. In both 2019 and 2020, there is/will be a projected budget surplus (respectively of 1.2% and 0.3% GDP). Overall government debt is expected to fall to 47.7% of GDP, well under the EU norm of 60%. The long-term structural budget, which showed a surplus of 0.3% GDP in 2019, was projected to shift to a deficit of 0.4% of GDP in 2020 – just inside the maximum allowable deficit of 0.5% of GDP. The government has chosen to change its own rules of budgetary policy by stretching its expense ceiling and income framework due to additional financial burdens deriving from policy successes, including the pension agreement, the climate agreement and the push for more housing and investment. Both the Council of State and the Center for Economic Policy Analysis have criticized the government for its expansive budgetary policy due to the lack of state income from gas sales, and because the government’s extra spending on defense, security, care and education violates the prudential budgetary rule (which states that windfalls may not be used to finance new structural policies). The government, however, views its budgetary policy as an investment in future economic growth. Promised risk-assessment procedures for budget policy have been delayed, despite the serious risk factors in the global economy (Brexit, trade conflicts) and the high probability of a new recession in the near future. The national budgetary system has also been criticized because national budget cuts are proportionally allocated to local-government budgets even though national policy has in recent years burdened local governments with new tasks (e.g., youth and elderly care) without structural budget compensations. Ad hoc nationwide increases have not diminished the volatility of local-government budgets. Overall, local-government budgets will decline despite the lasting period economic prosperity.

From the perspective of democratic and public accountability, the General Accountability Office (Algemene Rekenkamer) has warned since 2016 that an ever-larger share of nationally collected taxes (fully two-thirds in 2019) is
actually spent without any parliamentary budgetary oversight. Provincial and local governments, independent public organizations like schools and universities, the police, the executive agency for employee insurances (UWV), the Social Insurance Bank (SVB), other social funds, and the EU all spend tax money under much restricted or fragmented accountability arrangements.

Citation:
Raad van State, 13 September, 2019. Septemberrapportage begrotingstoezicht 2019

Research, Innovation and Infrastructure

In 2019, the European Innovation Scoreboard has the Netherlands as an innovation leader, ranked fourth after Sweden, Finland and Denmark. The country was additionally ranked fourth out of 141 countries in the World Economic Forum’s Global Competitiveness Report 2019, and was the most competitive in Europe.

Direct government expenditure on R&D is increasing, but lags behind the projected rise in gross domestic product. Direct government expenditure on R&D rose from €5.0 billion in 2017 to €5.6 billion in 2018, and is forecast to remain at around €5.5 billion over the medium term. Despite this increase, it is expected to fall after 2018, from 0.67% of GDP in 2017 to 0.65% in 2023. This is because budgeted government spending on R&D is not growing as fast as the economy. Between 2014 and 2017, government, the business enterprise sector and other investors together spent a total of 2.0% of GDP on R&D. Direct government R&D expenditure is in line with the average for the EU-28 (the entire EU), but lower than a number of reference countries such as Germany, Switzerland and the Scandinavian countries. To achieve the target of 2.5% of GDP by 2020, both the public and the business enterprise sectors will have to invest more. For the first time since 2010, research-specific program funding for applied research organizations has increased, thanks to investments provided for under the coalition agreement. TNO’s program funding has shown the sharpest increase. Other policy-driven research expenditure is also increasing, mainly owing to additional funding from the Ministry of Economic Affairs and Climate Policy. However, the size of the expenditure (€875 million in 2019) is nowhere near the €1.1 billion spent in 2010. Compared with other OECD countries, a large proportion of government
support for R&D consists of tax-based measures (0.17% of GDP). In addition to the national government, the European Union plays an important role in funding R&D and innovation. Researchers affiliated with Dutch institutions have so far received more than €3 billion in funding from the EU’s Horizon 2020 Framework Program, in the range of €600 million to €700 million per year.

All in all, it is unclear whether the Netherlands’ R&D performance is due to government policies (coordinated by the Ministry of Economic Affairs and Climate). The country’s policymakers aim to ensure that the Netherlands is 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). Total expenditure on R&D as a percentage of GDP is stuck at 2%, lower than the EU target of 3%.

Citation:
Rathenau Instituut, Voorpublicatie Totale Investeringen in Wetenschap en Innovatie (TWIN) 2017-2023, (rathenau.nl, accessed 1 November, 2019)


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

Global Financial System

The Netherlands is slowly but surely losing its position in the important bodies that together shape the global financial architecture. In EU policymaking in the past, the Dutch tended to agree with the UK position in principle, but follow the German position in practice. After all, as a small but internationally significant export economy, the Dutch have a substantial interest in a sound international financial and legal architecture. However, given the wave of political skepticism toward international affairs, as exemplified by no-votes in the EU constitution and the 2016 Ukraine referendums, the Dutch have until recently been regarded more as reluctant followers than as proactive initiators or agenda setters. However, threatened now by inegalitarian American-style capitalism and Chinese post-totalitarian state capitalism, the EU has become increasingly important to its member states’ political self-defense. In 2019, Dutch policymakers too rather suddenly adopted this stance, although its translation into policy initiatives has remained slow and somewhat hesitant. Nevertheless, after a decade or so, they finally seem ready to support a stronger Europe.
Recent statements by Prime Minister Rutte (Conservative Liberal, VVD) regarding Macron’s plans for revitalizing the EU project clearly signal increased rapprochement with the French. Minister of Development and Trade Sigrid Kaag (Liberal Democrat, D66) has openly called for a stronger, more unified EU. The center-right Dutch government openly supported Frans Timmermans’ (Labor Party) failed bid to succeed Jean-Claude Juncker as chair of the European Commission. And even Finance Minister Wopke Hoekstra (Christian Democrat, CDA) has publically advocates for stronger EU, although one under German leadership. Nevertheless, even now that the European Court has ruled that the Netherlands ought to reduce opportunities for international tax evasion, Hoekstra has been reluctant to deal with gross inequalities in the fiscal treatment of foreign and domestic capital. In addition, he has ignored an advisory report by the Scientific Council of Government Policy (WRR) opining that the Dutch government did not intervene strongly enough after the financial crisis of 2008, and that it should now create a public savings bank and foster more competitiveness in the sector overall.

Citation:


Financieel Dagblad, 9 September 2019., Minister Kaag: “Dit is het moment waarop de EU haar vleugels moet uitslaan”

NRC-Handelsblad, 24 May 2019., Was het de PvdA of was het Frans Timmermans?

NPO, 7 May 2019, Hoekstra wil leidende rol voor Duitsland in gemoderniseerde EU.

NPO, 17 January 2019, ‘Evenwicht geldstelsel verstoord, vrees voor zeepbellen en nieuwe crisis’

II. Social Policies

Education

In terms of quality, the average education attainment level for the population is high, somewhat exceeding the OECD average in 2017 and in 2018. 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.
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 shift seen in recent years toward a focus on systemic issues – streaming at an early age, efficiency of centralized testing, inclusive education and so on – seemed in 2019 to be replaced by efforts to address the acute shortage of teachers and to reform education-funding models, particularly for higher education.

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. Social background and parents’ level of educational attainment are increasingly predictive of students’ educational achievements. 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). The growing gap between higher education and secondary-level vocational education reflects differences in socioeconomic status and ethnic backgrounds. The issue of school segregation is still on the agenda. The protected status accorded religious education in the Netherlands (under which religious schools are financed as public schools) again became a point of discussion due to serious problems with several Islamic schools.

Equitable access to education for minority ethnic groups has not been achieved and is worsening at the university level. There remain considerable gender gaps in education. The teaching workforce is primarily female, except in tertiary education. The proportion of women studying science, technology, engineering, mathematics, manufacturing and construction is low, while women are overrepresented in the education, healthcare and welfare sectors. In an attempt to close this gap, the University of Eindhoven announced a controversial temporary policy under which it would only hire women to fill academic staff vacancies.

In 2018, because of the increased demand for technically educated professionals, secondary professional schools received extra financing, while measures to improve the image of the schools and the status of the students were introduced.
Children with minor learning disabilities often get caught in a bureaucratic back-and-forth between mainstream schools and specialized youth-care services. Since both sectors have struggled with financial cuts and staff shortages, cooperation between the schools and youth services has left considerable room for improvement.

At the tertiary level, the system of equal access through study grants has been abolished and every student now pays for university education, with low-interest loans available to students. Calculations suggest that university fees will result in an average lifetime income loss of 0.2% for tertiary-level students. The deterrence effect of the new student loan system has proven to be more substantial among lower-income families, particularly at the higher-professional level. The trend of growing student debt continues this year as well.

The Dutch school system stresses efficiency in terms of resource allocation. Expenditure for education is below the average for OECD countries. Among primary and secondary-level school teachers, following massive strikes in 2017, salaries were significantly increased in 2018, and will be further increased in 2019 and 2020. However, this does not seem to be enough to meet the substantial shortage of teachers. The Council of Education suggested that the system of teacher certification needs to be drastically changed to address the issue. For now, the government has invested an additional €460 million in primary and secondary education, without making systemic changes.

Relatively high levels of education attainment and school performance in the Netherlands should theoretically have a positive impact on the country’s competitiveness. However, although the Netherlands remains competitive in certain areas, the country’s track-based school system makes it difficult to adapt quickly to changing labor-market needs. As a result, the country faces a shortage of skilled technical workers. Lifelong learning is poorly supported by the government. Moreover, the growing gap between higher education and secondary-level vocational education reflects differences in students’ socioeconomic status and ethnic backgrounds. This gap results in stagnating salaries for persons with vocational educations as opposed to increasing incomes for specialists with higher-level educational qualifications.

In January 2016, the national dialogue on a reformed “curriculum for the future” for primary and secondary education received substantial input. Teachers and school managers worked together on a new curriculum. The ambition to establish three broad knowledge domains was watered down to a collaborative development of specific teaching material in the third phase of the process in the fall of 2018. In a new initiative, participating teachers
produced a number of plans and suggestions that were presented to the minister of education in October 2019, along with advice for a thorough revision of the main objectives of education.

In the higher-level vocational training and university education sectors, inadequate government funding exacerbates existing challenges resulting from increasing student numbers (particularly of international students), work pressures and quality issues. In September 2019, a committee recommended reform of the higher-education financing model. The most controversial aspect of this report was the recommendation to increase funding of the sciences and technical studies, with perceived negative consequences for the humanities and medical and social studies.

As in other countries, teacher shortages are producing substantial problems. This problem even worsened in 2019 (despite efforts to reverse the trend), particularly at the primary level, and in certain lower-level vocational education settings (VMBO/MBO).

In the years ahead, many teachers will be retiring, while the number of new teachers being trained is declining (especially in the hard sciences). Over time, this will exacerbate existing shortages.
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 significantly since 2007. However, the difference between top-level incomes and lower end incomes has increased. Top salaries increased by 32% between 2010 and 2017, while lower end salaries increased by 13%. Consequently, the gap between the top and bottom incomes increased from a factor of 5.5 in 2010 to a factor of 6.2 in 2017. The gap is slightly lower when net incomes are compared, but is rising nevertheless. Interestingly, this pattern is even more visible in the incomes of women. While the incomes of the highest-earning women increased significantly, particularly for younger women, only one-quarter of all women are in full-time employment. Since 2016, of the country’s home-owning households, almost 1.4 million (32%) had mortgage debts higher than the market value of their house. This number is now rapidly declining due to a rise in house prices. The average age of first-time home buyers has increased due to precarious incomes; stricter loan regulations; increasing house prices and a shortage of new, affordable houses.

Gender-based income inequality is high. On average, personal incomes among men (€40,200) are much higher than personal incomes among women (€23,800). This gap is gradually closing among younger women, however.

Women still form a slight majority of people living in poverty. Half of all people living at or under the poverty level have a migrant background. Persons working as independent contractors within low-wage sectors constitute a relatively new at-risk group. Young people also appear to be at risk, as a combination of student debt, flexible employment with uncertain incomes, and rising housing prices has kept them living at their parents’ houses for longer than previous generations.

As care services increasingly take on a digital component, access is becoming increasingly problematic for a large group of citizens. While many people are able to take advantage of electronic services, a significant proportion of people experience problems due to the lack of personal contact or a failure to understand their options and opportunities. This includes students and young parents as well as elderly or uneducated people. Loneliness and a lack of social connection are emerging as serious concerns, not only among the elderly, but among young people as well, particularly students.

Compared to other EU member states, the number of Dutch households at risk of social exclusion or poverty is still low. But since 2008, the beginning of the economic crisis, poverty in the Netherlands has increased by one-third. Single-
parent families, ethnic-minority families, migrants, divorcees and those dependent on social benefits are overrepresented in this poverty-exposed income bracket. Since 2014, the risk of poverty is declining faster among migrants than among the general population. Of young people under 18 years old, 17% were at risk of poverty and/or social exclusion. However, in big cities, such as The Hague and Amsterdam, with large immigrant communities, this proportion increases to one in five. However, the risk of poverty and social exclusion in the Netherlands as a whole is just 15% (comparable to Sweden only), which means that around 2.5 million people face relative poverty. It should also be noted that the poverty threshold in the Netherlands is far higher than in most other EU member states (with the exception of Luxembourg). 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, both in terms of quality and accessibility.

Since 2015, municipalities have been responsible for assisting people with disabilities in finding suitable work. The number of young persons with disabilities who have a job has increased by 9%, but their incomes have on average worsened due to a combination of low earnings and benefit cuts. Older people saw their opportunities for employment decrease under the new law. The policies remain complex and encourage cream-skimming practices, thereby excluding people in comparatively greater need of assistance. The same decentralized approach has been adopted for the implementation of the UN agreement on the rights of disabled people. A study of 47 Dutch municipalities showed that few had implementation plans in place, let alone inclusive policies.

Citation:

Starters zijn de dupe van de woningmarkt, NRC 12 juli 2018


Sociaal en Cultureel Planbureau, De Sociale Kaart van Nederland, September 2019


Jongeren zijn de dupe van crisisbeleid cabinet, Financieel Dagblad, August 30, 2019


https://www.nrc.nl/nieuws/2019/02/05/studieschuld-huizenmarkt-en-flexibele-contracten-houden-jongeren-langer-thuis-a3652927
Health

The Netherlands’ hybrid healthcare system continues to be subject to controversy and declining consumer/patient trust. The latest decline in trust has been fueled by the continuing trend of hospital bankruptcies. The system, in which the country’s few large 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 healthcare workers have rebelled against overwhelming bureaucratic regulation that cuts into time available for primary tasks. With individual obligatory copayment levels raised to €375 (including for the chronically ill and individuals with low incomes), 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 healthcare premiums to insurance companies and bills to hospitals and doctors is increasing. All this means that the system’s cost efficiency is coming under serious policy and political scrutiny.

In terms of cost efficiency, according to the new System of Health Accounts, the Dutch spend 15.4% of GDP on healthcare, or €5,535 per capita. According to the OECD Health at a Glance 2019 report, total expenditure is 9.9% of GDP. When both government spending and private spending are combined, the total costs of care show a steady increase since 2014, exceeding the rate of inflation. The steepest increase is in specialized medical care in hospitals, with long-term care showing some decrease. Moreover, the number of people employed in healthcare was lower than in previous years. Labor productivity in healthcare rose by 0.6% on an annual basis, with the gains coming almost entirely in hospital care. Profits for general practitioners, dentists and medical specialists in the private sector increased much more than general non-health business profits.

A proportion of healthcare costs are simply transferred to individual patients by increasing the obligatory copayment associated with health insurance. One means of improving patients’ cost awareness is through increasing transparency within healthcare institutions (e.g., by providing mortality and
success rates rankings for certain treatments per hospital). However, patients are not able to choose their treatment centers freely, but are forced to choose from institutions that contract directly with their insurance company.

In terms of quality and inclusiveness, the system remains satisfactory. Rates of private insurance coverage remain high, but with a slightly decreasing trend since 2007. Rates of dental coverage are quite low at 11%, resulting in considerable income-related differences in dental care. A total of 12.4% of the population postpones or forgoes medical treatment due to limited availability, while just 5.8% forgoes medical treatment because of affordability concerns, the lowest such rate in the OECD, although with a significant gap between those with lower incomes (a 20% rate) and higher incomes.

However, Dutch medical care does not achieve the highest scores in any of the easily measured health indicators. Average life expectancy (80.2 years for males, 83.3 for women) and health-status self-evaluations have remained largely unchanged over recent years. Patient satisfaction is high (averaging between 7.7 and 7.9 on a 10-point scale), especially among elderly and lower-educated patients. However, patient safety in hospitals is a rising concern for both the general public and the Health Inspectorate. Since 2013, waiting lists for specialist care have been a growing concern. This trend continued through 2018, particularly for age-related conditions, and was particularly notable among some regions in the country with aging and decreasing populations.

The situation in the psychiatric care sector are particularly troublesome. Recently, general practitioners have also expressed grave concerns about rising work pressures, staff shortages and time-consuming bureaucracy.

The level of inclusiveness is very high for the elderly in long-term healthcare, in spite of the fact that the sector is struggling with staff shortages, resulting in high employee turnover and absentee rates. However, there is a glaring inequality that the healthcare system cannot repair. The number of drug prescriptions issued is much lower for high-income groups than for low-income groups. People with high and low income levels show a difference of 18 years in terms of overall healthy life years. The difference in life expectancies between those with higher and lower levels of education is also growing, with this difference at five years for men and more than four for women. 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 the area of disease prevention, a number of observers have deemed the national prevention agreement to be unsatisfactory, retaining too much influence by the tobacco, alcohol and food industries.
Families

Family policy in the Netherlands is formally characterized by the need to recognize a child’s best interest and to provide support for the family and the development of parenting skills. According to EU-28 data, the Dutch spend approximately 32% of GDP on social protections (healthcare, old age, housing, unemployment, family), but just 4% of this is spent on family costs (compared to an EU-28 average of 8%). Day care centers for young children are becoming a luxury item, as they are not directly subsidized and parents face a steep increase in costs based on higher contributions for higher taxable income. This situation was somewhat alleviated at the beginning of 2018, when community and commercial providers of childcare were subjected to the same quality criteria and the same financial regime. The childcare subsidy was significantly increased in 2019, with an additional increase slated for 2020. Nevertheless, the cost and availability of day care varies substantially, depending on local municipal policies.

The government has established an extensive child protection system through its policy of municipal “close to home” youth and family centers, which are tasked with establishing a system of digital information related to parenting,
education and healthcare. Nevertheless, parents complain of a lack of information about and access 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 as a result of uncoordinated and/or belated interventions by youth-care organizations.

The devolution of powers in youth healthcare to local governments in 2016 resulted in cases where necessary psychiatric care was withheld or significantly delayed due to a lack of financing. Vulnerable children were particularly hard hit by the decentralization and fragmentation of services, which led to longer waiting times. Other issues included travel to healthcare facilities and coordination between services. For the first time since decentralization in 2015, the number of children and young adults in youth care declined significantly, by 11,000. Notwithstanding, the total number of children in youth care remains high, and stands at approximately one in 10 children. Against the backdrop of a permanent shortage of funding at the municipal level, it is not clear whether preventive efforts are effective or parents are simply opting out of the system and choosing private providers instead. In 2019, a wave of care-provider bankruptcies gave further fuel to critics of the decentralization effort, particularly as it was combined with severe financial cuts. The government now instead recommends regional cooperation and some centralization.

In practice, child support for families also is an instrument designed to improve parents’ labor-market participation. Enabling a work-family balance is less of a guiding policy principle. The gap between professional women working longer hours and less educated women not participating in the labor market is growing. Almost two-thirds of mid-career women experience the combination of childcare tasks and work as difficult. 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. Consequently, in the World Economic Forum’s Global Gender Gap Index 2017, the Netherlands ranked 32 out of 144 countries, having ranked 16 in 2016 and 9 out of 130 countries in 2008. The drop was largely due to the inclusion of top incomes in the calculations, which revealed a glaring absence of women in highly paid positions in the country. Other factors include unfavorable school times, a childcare system geared toward part-time work, and the volatility of financing for and poor access to care policies, particularly at the municipal level. Recently, the government announced plans to increase parental leave significantly, including paternal leave for fathers, in an effort to address these difficulties. A pilot project with flexible school times was prolonged, and expanded to include more schools.
The Dutch work fewer hours and retire later than people in other EU member states. The average pension age has increased from 61 years in 2007 to 64 years and 10 months in 2017. The proportion of people aged between 60 and 65 still active in the labor market has almost doubled since 2005.

The Dutch pension system is based on three pillars. The first pillar is the basic, state-run old-age pension (AOW) that provides benefits for people 66 years old and older. Everyone under 66 who pays Dutch wage tax and/or income tax pays into the AOW system. The system may be considered a “pay-as-you-go” system. This pillar makes up only a limited part of the total old-age pension system. 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 obligatory occupational pension schemes that supplement the AOW scheme. Both employees and employers are obliged to contribute. In this way, the pension scheme covers all employees of a given company and industry/sector. The third pillar comprises supplementary personal pension schemes that anyone can buy from insurance companies.
Many self-employed people (who number more than 1.2 million in the Netherlands) do not opt for a pension package, as this is not yet compulsory. Previously, self-employed people often had a short history in the conventional labor market that gave them some pension; however, most newly self-employed or freelance people today do not have any pension scheme whatever.

Although the system is considered the world’s best after those in Denmark and Australia, it – like most European systems – is vulnerable to demographic changes related to an aging population, as well as to disturbances in international financial markets. This is because pension funds, driven by the need to meet their growing financial obligations, are large players in stock markets. As of 2013, the government gradually increased the age of AOW pension eligibility to 66 by 2018, with a further increase to 67 by 2021. For supplementary pension schemes, the retirement age rose to 67 in 2014. During the review period, further increases in the retirement age were capped, and concessions were made for people engaged in physically demanding jobs. Due to the fact that the actual average retirement age is significantly lower than the legal level of 65, the average retirement age is continuing to rise.

Due to the very low interest-rate levels, pension-fund assets, although still enormous (totaling €660 billion or 193% of GDP), have not grown in proportion to the number of pensioners. The liquidity ratio of pension funds must be maintained at a minimum threshold of 105%. The time period given for recovery after failing to meet this threshold was increased by the Dutch central bank from three to a maximum of five years. Nevertheless, quite a few pension-insurance companies are at risk of having to lower their benefits. Interim framework bills for strengthening the governance of pension funds (e.g., requirements for the indexation of pension benefits, the inclusion of pensioners on governing boards, and the use of oversight commissions and comparative monitoring practices) were adopted by parliament in the summer of 2014.

A more definitive reform of the Dutch pension system is still pending. Debate focuses on the redistributive 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. The government is still considering long-term retirement policies, hoping that its social partners, employers’ organizations and trade unions in the Socioeconomic Council will work out a compromise. In 2019, the long-due retirement-plan agreement was finally signed, but was immediately called into question by the financial sector due to extremely low
interest rates. For now, actual pension cuts in the coming year have been avoided, but the issue remains a political hot potato.

Citation:

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SER, Naar een nieuw pensioenstelsel, Juni 2019

Integration

The Netherlands is a sizable immigration-destination country, with a considerable integration task. In 2018, 12% of the population were first-generation immigrants. In 2011, the Netherlands ranked 5 out of 37 industrial countries in the Migrant Integration Policy Index; in 2015, the county ranked 15. The country scores relatively high on measures of labor mobility and access to citizenship for migrants, but low on measures of access to family reunion and permanent residence. It attains average scores for criteria such as education, anti-discrimination policy, health outcomes and political participation. The relative success of DENK, a newly established political party that claims to promote tolerance, is a sign that ethnic minorities do not feel adequately represented by mainstream political parties.

In a 2018 representative public opinion poll on immigration and integration issues, 38% of respondents spontaneously stated that immigration, integration and racism were the second most important public concern, after healthcare. In view of occasional riots and disturbances at municipal council meetings on the location of refugee settlements, integration issues flared up again. At the local elections in March 2017, national and local parties with anti-immigration agendas gained seats in municipal councils across the country, often for the first time. However, apart from the occasional provocation, they have not managed to initiate a substantial debate on the issue of integration. Although the dominant concern during the review period seemed to be over growing levels of income inequality, there are still widely shared concerns over growing polarization and radicalization on both sides of the political spectrum.
Since 2009, all non-EU nationals who migrate to the Netherlands are required to learn Dutch and essential facts about Dutch society. The Civic Integration Abroad policy involves obligatory integration tests in the country of origin for family-reunion applicants. Refugees are expected to “deserve” their status in the Netherlands by taking language tests, and many refugees accumulate debt paying for language courses, which are also difficult to find and are often of unreliable quality. Migrants without refugee status are allowed to take a loan of up to €10,000 to pay for their integration, to be repaid within three years. The many problems with this system will be addressed by a new law in 2020.

Compared to other countries, immigrants benefit from several measures targeting employment and labor-market integration. Nevertheless, unemployment rates among non-Western migrants are three times as high (16%) as among Dutch-born citizens (under 4% at the end of 2018). This difference is somewhat less pronounced within the 15 to 24 age group but remains twice as high. One in three young migrants without a formal school qualification is unemployed. Second- and third-generation migrants are less likely to find employment and earn significantly less than their native-born counterparts – up to 20% less for men and up to 35% for women. Recent research shows that ethnic discrimination in the labor market is widespread and difficult to address. Muslim citizens self-report experiences with and perceptions of discrimination, as well as incidents of harassment and violence, at levels quite high by comparison with other European counties. Rampant discrimination, racism and Islamophobia in the police force were recently revealed by a series of whistleblowers in response to inadequate responses by top police officials.

Citation:

Burgerperspectieven 2019|3, Sociaal Cultureel Planbureau (scp.nl, consulted November 2, 2019)

Nederlands Jeugdinstituut, Jeugdwerkloosheid, 29 oktober 2019

Dossier Asiel, migratie en integratie, CBS, 8 oktober 2019


CBS, Jaarrapport integratie 2018

Migrantenkinderen verdienen minder, NRC Next, June 13, 2019

‘Moslimfobie, intimidatie bij politie – en de top kijkt weg’, NRC Next, July 13, 2019
Safe Living

Since 2010, opinion polling has shown that confidence in the police is consistently high and satisfaction regarding policing performance is fairly high (28% of those polled express that they are “very satisfied”). Research shows that this is independent of the actual conduct and performance of police officers. The number of registered criminal incidents per capita has declined from 93 per 1,000 citizens in 2002 to 43 per 1,000 in 2017. The total number of years people have been sentenced to serve in Dutch prisons has declined from 12,000 in 2005 to 7,000 in 2015. At the same time, the percentage of resolved cases remains steady, at about 25%. A recent CBS report called this “the mystery of the disappearing crime.” However, this decline came to a stop during the review period, with a rise in sexual offenses, probably related to human trafficking particularly of underage subjects.

Cybercrime rates (hacking, internet harassment, commercial and identity fraud, cyberbullying) remained stable since 2015. Illegal cryptographic software and phishing have become standard cybercrimes. In 2015, 11% of the population were victims of cybercrime, while three-quarters of cybercrime cases were not reported to the police. Recent studies have concluded that the Dutch police lack the technical expertise to effectively tackle cybercrime. A new study warned in 2019 of the dangers of “digital dependency” and the possible resulting havoc. 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 Coordinator Terrorismebestrijding, established 2004) appear able to prevent attacks. Fighting terrorism and extremism and anticipating political radicalization and transborder crime have gained in priority.

There is deep concern about the infiltration of organized crime into local politics, business and police forces, which has resulted in an unwanted seepage of the illegal economy into the formal economy, along with the undermining of the public administration. Recently, a number of reports drew attention to the scale of illegal-drug production and distribution in the Netherlands and beyond. Synthetic drugs with an estimated street value of over €18 billion and marihuana production have become a structural part of Dutch economy, thereby creating a constant danger of spill-overs into the mainstream economy. In an attempt to tackle the problem, a number of municipalities have begun experimenting with the legalization of soft drugs.

Two recent attempts (one successful) to assassinate lawyers are considered to be extremely alarming, as they expose the true reach of organized crime.
Moreover, members of the police rank and file are expressing decreasing confidence in their leaders, due to scandals related to racism, discrimination and bullying. Police spokespeople maintain that the citizenry’s confidence in the police forces remains high.

The policies of the present government focus on cost reduction, and the centralization of the previously strictly municipal and regional police, judicial and penitentiary systems. In 2015, the Dutch government spent €10 billion (a reduction of €3 billion from 2010) on public order and safety (police, fire protection, disaster protection, judicial and penitentiary system). Recent reports indicate serious problems in implementing reforms, with police officers claiming severe loss of operational capacity. Meanwhile, there is profound discontent and unrest inside the Ministry of Justice and Safety. Judges, prosecutors, lawyers and other legal personnel have voiced public complaints about the “managerialization” of the judicial process and the resulting workload, leading to “sloppy” trials and verdicts. Efforts to digitize the judicial process, intended to reduce costs, resulted in a massive operational failure and a cost over-run of approximately €200 million. The government now intends to save €85 million in 2018 by cutting legal assistance to citizens. Government policy is attempting to relieve part of the burden on the judicial system by introducing intermediation procedures.

The overall picture from the safety and security, and judicial institutions of the Dutch government is one of increasing stress and challenge.

Citation:
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https://decorrespondent.nl/7388/onze-gezondheid-wordt-bewaakt-door-de-minister-van-boerenzaken/1611292671736-051d24e6
Veiligheidsmonitor, 2019 ((veiligheidsmonitor.nl, consulted 3 November 2019)
Jurien de Jong, Het Mysterie van verdwenen criminaliteit, Statistische Trends, CBS, Mei 2018, Den Haag
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Global Inequalities

The Netherlands’ ranking in the Center for Global Development’s Commitment to Development Index has risen two places since 2017, from seventh to fifth. In 2017, the Netherlands committed 0.60% of its GNI to development assistance, close to the international commitment of 0.7% GNI and above average for CDI countries. In addition, costs for climate policy will be allocated to development-aid budgets. Expenditure for international conflict management has been added to the diminishing state development-aid budget.

Aid is no longer focused solely on poverty reduction, but also on global sustainable and inclusive growth, and on supporting the business of Dutch firms in foreign countries. The driving idea is that “economic and knowledge 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. Climate has been included as a key focus area, alongside poverty, migration and terrorism. 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. As the general public has shown a lower degree of acceptance of immigration than many other countries, the country did not win internal support for the Franco-German refugee deal, and ultimately did not support it. However, the government did provide an additional €290 million for refugee relief in local regions. All of this shows a pattern of declining commitment by the Dutch government to global policy frameworks and the fair global-trading system. Instead, the aspiration has been to link development aid to Dutch national economic- and international-security interests. In 2018, these policies
were partially reversed with additional funding for the education of youth and women in focus countries, along with some additional funds for nearby unstable regions.

In spite of ample evidence of human trafficking and exploitation of workers, in some cases from poor regions within Europe, Dutch authorities have taken insufficient legal action against such crimes.

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Amper veroordelingen voor arbeids- en criminele uithuizing, NOS, 2 May, 2019

III. Environmental Policies

Environment

The Rutte III government has described itself “the greenest coalition” to date, and put climate change on its political agenda. A Climate Act was approved by parliament in December 2018. Broad consultations eventually produced a climate agreement that set the goal of a 49% reduction in CO2 emissions by 2020. Before the Paris Accords, the Dutch government had resisted more ambitious international climate goals. While the current government has started negotiating a new climate agreement (currently in the third round of negotiations), the government’s ambitions remain neatly within the boundaries of the Paris agreement with few specific policy measures to work with.

There has been a clear policy shift in recent years toward climate adaptation. This appears manageable today because any adverse developments in the Netherlands will be gradual. The Netherlands’ natural-gas reserves have diminished 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 (still contested as too small). This led to the decision to stop gas production in the region by
2030. Consequently, all households are to be gas-free (for cooking and central heating) by 2050. Sustainable agriculture, particularly meat and dairy farming, is on the agenda and is gaining social support. Plastic is seen as a problem, but is dealt with largely at the municipal level, as a part of local recycling programs. A deposit paid by consumers on certain forms of packaging will eventually be introduced by 2021.

The quality of air and surface water in the Netherlands remains poor, with intensive farming and traffic congestion the primary causes of concern, as well as soil salification within agricultural lands. Half of the country’s rivers, canals and lakes contain too much nitrogen and phosphates. Air pollution, especially particulate matter in the region around Amsterdam, Rotterdam and The Hague, is among the highest in Europe, and the concentrations of ozone and nitrogen dioxide are linked to a very considerable amount of premature deaths.

In October 2018, the Urgenda environmental association won a major victory, with the Court of Appeal ruling that the government’s failure to reduce carbon dioxide emissions significantly violated its human rights obligations. The verdict was upheld by the Supreme Court. In a separate case, courts rejected a scheme for trading future emissions in nitrogen, deeming that it failed to protect the environment sufficiently, and failed to assure air quality. The verdict effectively brought a large number of construction projects, including housing construction, to a halt. The reaction was to turn a focus on a primary culprit in this area – Dutch industrial farming, particularly livestock farming, which is the largest contributor to the country’s nitrogen emissions. A call to reduce the sector (which constitutes the second-largest meat exporter in the world) by half led to mass demonstrations by farmers, and even riots in some locations. Construction workers also protested, as their jobs viewed as being at risk.

All in all, the government that originally called itself “green” was forced by these verdicts to increase the pace of its climate action, in some cases through the use of emergency measures. The most visible of these has been the speed-limit reduction on highways to a maximum of 100 kilometers per hour during daylight hours. It remains to be seen whether the industrial farming sector will be affected and/or provided with compensation. These measures have become possible due to a gradual shift in public opinion. The discussion is no longer if emissions reductions will happen, but about the distribution of costs. For example, many have expressed a fear that the weakest shoulders will carry a disproportionally high burden.

At the same time, the Netherlands continues to invest heavily in fossil fuels. Recently, the sustainability of biomass (an important element in the climate
agreement) has been called into doubt. The airline industry is still not paying its fair share with regard to the amelioration of pollution, although the government has pledged to to resolve this issue at the European level.

Although the Netherlands is praised as a pioneer in the area of mapping and assessing ecosystems and their management, and on developing natural capital accounting systems, significant problems remain. The most serious problems involve habitat fragmentation and biodiversity loss, atmospheric nitrogen deposition, desiccation and acidification. Over the last 25 years, about 140 species inhabiting the North Sea have suffered a 30% decline, mainly due to recently forbidden commercial fishing techniques.

With so many changes at a speed typically foreign to Dutch politics, 2019 may well represent a turning point in the country’s climate policy.

Citation:
The EU Environmental Implementation Review Country Report – The Netherlands, Brussel, April 2019
Algemene Rekenkamer, Focus op kosten windenergie op zee, 27-09-2018
Planbureau voor de leefomgeving, Klimaat – en Energieverkenning 2019
WRR-Policy Brief 5, Klimaatbeleid voor de lange termijn: van vrijblijvend naar verankerd, October 2016
Raad voor de leefomgeving en infrastructuur, Duurzaam en gezond. Samen naar een houdbaar voedselsysteem. Maart 2018

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. It has also signed related international treaties on safety, food security, energy and international justice. The government continues to aspire to a coherent sustainability policy or a “policy agenda for globalization.” It regards resource and energy scarcity, transborder
disease control, climate change, transborder crime, and international trade agreements as the most pressing global issues.

As an immediate response, climate change is addressed mainly as a mitigation effort, for example, through the Dutch Risk Reduction Team, offering assistance and expertise to water-related risk areas around the globe. A coherent globalization policy also means that research is conducted and monitoring is performed regarding any ways that one policy may undermine others. 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.

The Netherlands participates in efforts targeting global climate resilience that are focused on tapping technological innovation to reduce CO2. Bilateral projects with various countries outside the EU are centered on knowledge sharing, particularly in the area of water management. Water management is also a key element of the Dutch contribution to the Global Commission on Adaptation, of which the Netherlands is initiator, a convening country and a direct funder.

The Netherlands Commission for Environmental Assessment is an independent advisory body composed of experts. In 2017, it won an award for the quality of its services. It provides advisory services and capacity development to international governments on the quality of environmental assessments, with the aim of contributing to sound decision-making. However, on the domestic front, its data on nitrogen deposits in protected natural areas were called into question by major political parties when court cases on the issue forced the government to take urgent measures in the agricultural and construction sectors.

Military aspects have been added to the International Safety Budget, which previously referenced only diplomatic and civic activities. Defense spending in response to the revival of NATO in Europe and threats in the Middle East will increase from €220 million to €345 million between 2016 and 2020. As mentioned under the previous indicator (“Environmental Policy”) the Paris Climate Accords have triggered major new Dutch policy initiatives in the area of global environmental protection.

Citation:
Kabinetreactie op het WRR-rapport: Minder pretentie, meer ambitie (2010)
(www.eerstekamer.nl/id/vimdnvnxvfz/document-extern/briefmp110112)

Adapt now: a global call for leadership on climate resilience. Global Commission on Adaptation, September 2019
Additional reference:
http://www.aiv-advies.nl/ContentSuite/upload/aiv/file/webversie_AIV%2084_NL.pdf


Netherlands Commission on Environmental Assessment, 2018 (era.nl, accessed 8 November 2018)
Quality of Democracy

Electoral Processes

With a score of 80 out of 100 points the Netherlands ranked 8 out of 158 countries in the March 2018 Perceptions of Electoral Integrity Index, after Denmark (score 86), Finland, Norway, Iceland, Sweden, Germany and Costa Rica. Its highest scores are in the areas of electoral laws and electoral procedures; somewhat lower scores are 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. 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:

Eerlijke verkiezingen (eerlijke verkiezingen.nl, consulted 24 October 2018)


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 (radio, television) 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.

However, media access these days also means access to social media (Twitter, blogs, YouTube), especially when competing for younger voters (18 – 35 age group). Dutch political parties have together spent more than €200,000 on Facebook advertisements in the run-up to the European Parliament elections in 2019. Public debate on topics of this nature is only beginning, inspired by issues such as the general financing of political parties, access to social media by new political parties, movements with strong but undisclosed financial support, and foreign interference in national elections.

Citation:
NU.nl, 3 November 2019. Politieke partijen gaven 200.000 euro uit aan Facebook-advertenties
Adformatie, 1 November 2016. VVD strijdt ook ‘achter Facebook’ en boekt meeste succes op social media (Adformatie.nl, accessed 3 November, 2019)

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 and to all EU nationals residing in the Netherlands. 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 include either a (non-expired) passport or driver’s license.

Citation:
art J24 Kieswet: http://wetten.overheid.nl/BWBR00004627/AfdelingII/HoofdstukI/6/ArtikelJ24/geldigheidsdatum_24-05-2013
art 1 Wet op Indentificatieplicht: http://wetten.overheid.nl/BWBR0006297/geldigheidsdatum_24-05-2013#Hoofdstuk1_Artikel1
The Dutch government spends less money than its counterparts in most other European countries on financing political parties, at €1 per voter (compared to €9.70 for Iceland). Based on GRECO estimates, Dutch political parties are also less reliant on government money (receiving between 35% and 50% of their funding from this source) than are most other European political parties, with the exception of those in Germany.

Until about a decade ago, political-party finances were not a contested issue in Dutch politics. Party funds come largely through membership contributions (40% – 50%), a “party tax” applied to elected members’ salaries, event revenues and donations, and government subsidies. However, relatively new like the Pim Fortuyn List (Lijst Pim Fortuyn, LPF) and the Party for Freedom (Partij voor de Vrijheid, PVV), as well as the very successful Forum for Democracy, have received substantial gifts from businesses and/or foreign sources, while the Socialist Party (Socialistische Partij, SP) has made its parliamentarians completely financially dependent on the party leadership by demanding that their salaries be donated in full to the party.

As government transparency became a 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, which was signed into law in 2013. GRECO has also addressed the procedure for monitoring party finances (particularly when the rules are improved), noting that this task should rest not with a minister or political figure, but with an independent body.

The 2013 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. 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.

In 2018, an ad hoc advisory commission evaluated the 2013 law. It argued that anonymous donations (especially from foreign donors) should be prohibited, and that the threshold and conditions for non-disclosure should be changed in favor of greater transparency. It additionally recommended that state subsidization should in the future be based on the number of party members rather than the number of parliamentary seats, with the aim of strengthening
political parties’ societal roots. Furthermore, it said that provincial and local political parties should be brought within the scope of the law. The government only partially followed the commission’s advice. Foreign donations were limited to within-EU donations, but the idea of privileging membership numbers more than the number of seats held was put on hold. Recently, an alleged corruption case involving aldermen in the municipal government of The Hague has placed the issue back on the political agenda, particularly given concerns about growing criminal influences within local governments.

Citation:
Wet financiering politiek partijen: einde in zicht – maar wat een gaten! (montesquieu-instituut.nl, consulted 5 November 2014)
Parlement & Politiek, Partijfinanciering, 2016 (parlement.com, consulted November 9 2016)
NRC Handelsblad, 26 January 2019. Kabinet: verbod op partijfinanciering van buiten de EU.
Nieuwsuur, 2 October, 2019. ‘Nederland is het Wilde Westen van de partijfinanciering’

Binding popular initiatives and referendums are unlawful both nationally and subnationally, as they are considered to be incompatible with the representative system. At the municipal level, many experimental referendum ordinances have been approved since the 1990s, but the national government has prohibited several ordinances that gave citizens too much binding influence on either the political agenda or the outcome of political decision-making. In 2016, a large number of municipal government mayors, aldermen, councilors, scientists and businessmen initiated “Code Orange” for “civocracy,” (“citizen power”) which aims to involve citizens more in local governance through “citizen pacts” (“burgerakkoord”). The citizen pacts are intended to replace and/or complement the traditional “coalition pacts” between local political parties, which normally are the basis for policymaking. After the 2018 elections experiments in citizen pacts are being conducted. Though all the experiments are struggling with the practical aspects of integrating citizen pacts into the legal framework and normal division of labor of local forms of representative democracy.

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. This law allows for non-binding referendums on petitions that gain 10,000 signatories within a four-week period. Subsequently, another 300,000 citizens are needed to sign up in support of the initial request within a six weeks period.

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. With a mere 32.3% voter turnout, the no-vote (61%) was valid nevertheless, and the government was obliged to renegotiate the deal at EU level. In March 2018, in another consultative referendum, Dutch voters rejected a proposed Law on the Intelligence and Security Services (Wet op de Inlichtingen en Veiligheidsdiensten) by a narrow margin (49.44% against, 46.53% for and 4% undecided). This result forced the government to reconsider some parts of the law. The unpleasant referendum campaigns and their contested outcomes prompted the Rutte III government to abolish the consultative referendum as one of its first regulatory decisions. Nevertheless, the Remkes Commission for State-Legitimacy Reforms (Staatkundige Hervorming) states that Dutch democracy suffers from a “representation deficit” defined by demography, educational attainment, wealth and professional background. Among many other reform proposals, the Remkes Commission has seriously considered putting the issue of a binding referendum back the political agenda. To date, only one political party (D66) has adopted this advice, using the issue as an element of the party’s 2020 election campaign.

Citation:

NOS, Nee-stem in Oekraïne-referendum blijft zonder gevolgen, 2 October 2016 (nog.nl, consulted 9 November 2016)

VNG, Code Oranje voor verandering politieke democratie, 26 October 2016 (eng.nl, consulted 9 November 2016)

M. Chavannes, Wat je stem wel en niet zegt bij het referendum, De Correspondent, 16 March 2018

Access to Information

The freedoms of the press/media and of expression are formally guaranteed by the constitution (Article 7). The Reporters Without Borders Press Freedom Index 2018 ranked the Netherlands at fourth place out of 180 countries, one rank down from the previous year, and below Norway, Finland and Sweden. The somewhat lower ranking results from the way that right-wing populist parties treat journalists (e.g., questioning the legitimacy of the traditional media and restricting targeted journalists’ access to political meetings), as well as from internet-based smear campaigns against reporters, particularly women who are not native-born Dutch. As a consequence, the report argues, Dutch journalists practice self-censorship on sensitive issues such as immigration, race, Islam and the ostensible national character. However, by international standards, journalists in the Netherlands are free from governmental interference. For example, their right to protect their sources even when called upon as witnesses in criminal cases is usually formally upheld.

Public-broadcast programming is produced by a variety of civil organizations, some reflecting political and/or religious denominations, others representing interest groups. These independent organizations get allocated TV and radio time that is relative to their membership numbers. However, broadcasting corporations are required to comply with government regulations laid down in the new Media Law. This new law abolished the monopoly of the incumbent public-broadcasting corporations and aims to boost competition by giving access to program providers from outside the official broadcasting corporations. A directing (not just coordinating) National Public Broadcasting Organization (NPO) was established, with a two-member government-nominated supervisory board, which tests and allocates broadcasting time. At the time of writing, this board was not yet functioning due to as yet unresolved internal disagreements. The new law states that public broadcasting should concern information, culture and education, while pure entertainment should be left to private broadcasters. In practice this has led to controversy around television celebrities’ salaries in public broadcasting, and blurred boundaries between “information” and “infotainment.” The bill has been criticized for failing to take broadcasters’ financial needs into account, and critics have argued that younger people and non-Dutch population groups will no longer be served by the public broadcasting system. Currently, broadcasting is both privately funded through advertisements and publicly funded. Regional broadcasters have been subject to budget cuts that have left them in fragile health, and will need to collaborate to survive. Politically, the existence of a public broadcasting system is becoming an increasingly contested issue. At least four different scenarios for the future of the public broadcasting system are under discussion.
The Dutch media landscape is very pluralistic but nonetheless subject to a gradual narrowing of media ownership, 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 still 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. 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%). However, online access to news and entertainment has increased due to the prevalence of smartphones, widespread availability of Wi-Fi, and paid news and entertainment sources. Though the issue of ownership concentration also affects the social media and internet search engines. Internet usage rates in the Netherlands are high and many people are connected through broadband (almost 50% of Dutch households). Ten million Dutch residents use the internet on a regular basis, amounting to almost 95.5% of the population aged over six years old. For both print and digital media, users usually trust news reports and do not worry excessively about the issue of fake news, although a clear majority believe that technology and media companies ought to provide better information about and more opportunities for identifying fake news. The government also has a responsibility according to many internet users.

In the European Union’s Media Pluralism Monitor 2017, the Netherlands was characterized low risk in the domains of basic protection, political independence and social inclusiveness. However, the country was characterized medium risk in market plurality and high risk for concentration of cross-media ownership, as there are no legal restrictions at all and
transparency of ownership is low. Consequently, a typical person’s media sources are likely to be controlled by the same, one owner. This requires better regulation of media mergers.

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

Media Pluralism Monitor 2017 – Results, Netherlands, October 2017 (monitor.cmpf.eui.eu, consulted 13 October 2017)


The Government Information (Public Access) Act (WOB) 1991 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. A new Open Government Act (Wet open overheid) is being considered by parliament, which is awaiting the results of experiments in this area within several Dutch municipalities. In 2018, the High Council of State clarified its position on when the need to protect personal privacy (e.g., names of civil servants) or personal policy views expressed during governmental deliberations could be considered appropriate justifications for withholding information. This ruling pertained to politically salient, post-election cabinet-formation negotiations. Meanwhile, the old law has additionally been broadened to include messages transmitted via SMS and WhatsApp.

Citation:
VNG, z.d., Wet open overheid (vangrealisatie.nl, accessed 4 November 2019)


NRC-Handelsblad, “De moeizame weg naar open overheid,” 6 October 2017
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 UN Human Rights Council or the European Union. It cooperates with the monitoring organizations of all international laws and treaties concerning civil liberties signed by the Dutch government.

However, 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 (e.g., in personal health, education and childcare) and travel behavior. Increased monitoring and digital surveillance technologies disproportionally target those most dependent on state support, creating inequalities in policing and fraud control. Many of the monitoring and surveillance technologies – which often link various databases – are also poorly monitored legally. Most recently, UN Special Rapporteur for Human Rights Philip Alston criticized the Dutch government (and parliament) for its use of an algorithmic system (Systeem Risico Indicatie) to detect social-benefits fraud. The system linked data from across all government databases to generate an individual fraud-risk profile. A system of this design violated everybody’s privacy rights, but particularly those of poor people and individuals with a migrant background, Alston said.

Human Rights Watch has criticized recent Dutch legislation restricting the number of locations for hosting asylum-seekers, as well as the long wait times for asylum decisions and family-reunion procedures. Recently, the government has expanded its list of safe third countries for asylum-seekers (including, surprisingly, Afghanistan) and 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. There were concerns about racial profiling by police
officers and white Dutch citizens interfering in protests against the traditional “Black Pete” (“Zwarte Piet”) figure in traditional St. Nicholas festivities. However, Frisian pro-Black Pete activists – who stopped anti-racist protesters by blocking a highway – were condemned for disturbing the public order, with this verdict upheld in a higher appeals court.


Nieuwsuur, 22 October 2019. VN-rapporteur zeer bezorgd over Nederlands opsporingssysteem voor uitkeringsfraude.


Political Liberties
Score: 9

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 free countries in the world.

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. Since January 2016, its powers have been broadened and it can now impose fines. There is also an obligation for large data-processing private and public companies to immediately report any data leaks. Nevertheless, there is a widespread perception that the big data revolution poses a considerable threat to privacy rights and the government’s response has been too weak.

The adoption and enactment (as of 1 May 2018) of the Intelligence and Security Services Act provoked widespread fear of the dragnet surveillance of private citizen communications. It resulted in a successful “no” campaign in the consultative referendum on this law, which forced the government to adjustment the law to accommodate public objections. Though a judge has ruled that pending the government’s reconsideration and adjustment of the law, the law could remain in force.
Regarding the Black Pete issue, a number of municipalities have restricted the right to free assembly and the right to hold demonstrations for those calling for an end to the tradition, citing security concerns. The government passed a law banning the burqa and niqab in public places (including schools, hospitals and government buildings, and on public transportation); however, it also publicly announced that enforcement of this law was “not a priority.”

Citation:
Freedom House, Freedom in the world 2019, Netherlands (freedom house.org, consulted 3 November 2019)

Autoriteit Persoonsgegevens, Agenda 2016 (autoriteitpersoonsgegevens.nl, consulted 9 November 2016)

NRC Next, 7 June 2019. Het recht op demonstratie moet altijd beschermd worden. (NRC.nl., accessed 3 November 2019)

Rijksoverheid, 1 April 2019. Gedeeltelijk verbod gezichtsbedekkende kleding vanaf 1 augustus 2019 van kracht (Rijksoverheid, accessed 3 November 2019)

The Netherlands is party to all the important international anti-discrimination agreements. A non-discrimination clause addressing religion, worldviews, 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 fewer negative connotations in a religiously and culturally diverse society like the Netherlands). Nevertheless, while it is difficult to document racism as manifest in decisions or actions taken (the number of complaints is not public), it cannot be denied that racism is increasingly manifest in verbal statements. A recent expert report criticized Dutch anti-discrimination sanctions as “ineffective,” and as neither “dissuasive” nor “proportionate.” Previous signals that discrimination is practiced by Dutch police have recently been confirmed; for instance, a chief of police who identified and sought to address discrimination in her own precinct was recently fired.

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 to curb discrimination. There are more and more doubts about state policies’ effectiveness. Depending on significant (international) events (e.g.,
Israeli-Palestinian conflicts, terrorist attacks and public debates about Black Pete discriminatory actions, internet-based threats and insults targeting Jews, Muslims and Afro-Dutch citizens increase. Especially worrisome is the broad-based and well above the European average negative climate of opinion and stereotyping of Muslims. A direct political consequence was the establishment in 2015 of a political party that appeals to second- and third-generation migrants, DENK (meaning “think!” in Dutch, but “equal” in Turkish). DENK has secured three seats in the 150-seat Dutch parliament and a total of 23 seats in 13 different municipal councils. Growing awareness of employer’s discriminating against young people with migrant backgrounds in job application processes forced new national and local-government initiatives. According to recent survey research, the Dutch population is seriously worried about the intolerant and discriminatory dominant approach to diversity at present.

Citation:
I. van der Valk, Veiligheid en discriminatie anno 2017 – waar staan we?, Achtergronden, 2 October 2017 (republic allochthonie.nl)


NRC Next, 16 July 2019. Discriminatie en uitsluiting bij de politie, we konden het weten (nrs.nl, accessed 3 November 2019)

NRC Next, 25 September 2019. Politiechef die discriminatie aankaartte, is naar huis gestuurd. (NRC.nl, accessed 3 November 2019)

Hoofdlijnenbrief Actieplan Arbeidsdiscriminatie 2018-2021 (rijksoverheid, accessed 26 October 2018)

SCP, Zorgen over immigratie nemen weer toe, 27 September 2018 (scp.nl, accessed 26 October 2018)

DENK (political party) (en.wikipedia.org)

B. van der Ent, 2019. Discriminatie op de arbeidsmarkt, in Sociologie, 4,1:25-57

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 Rule of Law Index 2019, the Netherlands was again ranked fifth out of 126 countries. However, the no more than slight decline in its score curiously disregards previous warnings from legal experts that the situation is rapidly deteriorating, and that it was indeed nearing crisis levels in 2019.

In a “stress test” (2015) 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, appeal to a national Constitutional Court is impossible and contested among experts. 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 appeals to European and other international legal bodies 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 laws on the basis of the legal obligations assumed under international treaties. Within the state administration, the departmental bureaucracy too often prioritizes managerial feasibility over political and legal requirements. For example, fiscal and social security agencies have become exceptionally punitive toward ordinary citizens, not just in cases of suspected fraud, but also in cases of forgetfulness or error. Moreover, there has been a considerable quantity of unambiguous failures. For example, there is evidence that the accumulation of so-called administrative sanctions has driven people into poverty, and additional evidence that tax authorities have illegally stopped tax benefits for childcare to eligible families. The process of seeking compensation for physical or psychological harm is called a “tombola” (a kind of lottery-based gambling game), with widely divergent outcomes in terms of whether and when victims are granted funds. Police and the judicial system are losing the war on drugs.

The Council of Jurisprudence was established in 2002 as an independent boundary advisory commission between the Ministry of Justice, parliament and the supposedly politically independent judicial branch. As a boundary-spanning mechanism, the council proved to be a clear failure in 2017 and 2018. Its chair declared that the judiciary was outdated for a modern, rapidly changing society. Citizens and businesses alike stated that judicial procedures were too expensive, too complex, too time-consuming and too uncertain in their outcome. Meanwhile, the digitalization of routine judicial procedures has been a failure, and has cost the government dearly. Political debates on the issue of judicial reform have focused on the budget for the judiciary (€900 million), and on how to structurally reduce the deficit, for example, by “outsourcing” judicial tasks to private mediation. Judges have demanded the right to determine their own budget; this has not happened, but the judicial-affairs budget was increased in 2018. In an exceptional move, lawyers, judges and prosecutors wrote a joint letter to the government expressing their “fear for the future of the judiciary branch.”
Judicial review for civil and criminal law in the Netherlands involves a closed system of appeals with the Supreme Court as the final authority. Unlike the U.S. and German 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 – 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.

In 2018, the intensity of judicial review of executive actions reached an all-time high. This attracted international attention when a Dutch appeals court upheld a landmark climate-change ruling, instructing the Rutte government to raise its greenhouse-gas reduction goal of 17% to at least 25%. However, the judiciary itself also came under increasing scrutiny, both with regard to its internal functioning and the degree to which it was truly independent of politics.

Several glaring miscarriages of justice have raised public doubts as to the quality of justice in the Netherlands. This has led to renewed opportunities to reopen previously tried cases in which questionable convictions have been delivered. In 2017, a deputy minister of legal affairs openly admitted that he reduced the provision of state-supported legal assistance to ordinary citizens in order to achieve more punitive court sentences. And in the drugs- and crime-ridden province of Brabant, police, mayors and fiscal authorities sometimes “harass” suspects rather than initiating legal procedures, which they perceive as a time-consuming nuisance. Judges have voiced concerns as to the quality of the work performed by lawyers, and thus directly about professional practices and indirectly about the legal-education system. The reputation of the
public prosecution service (Openbaar Ministerie, OM) too has come under public scrutiny. It has been criticized for striking mega-deals (such as fines) with corporations and banks, which are presumably deemed more efficient than conducting full-fledged trials of legally sanctionable financial or managerial misconduct. Evidence has shown that OM staffers lacking the proper professional accreditation have rendered decisions on thousands of criminal cases with insufficient evidence. The prosecution service’s degree of independence from the government has also come under public and journalistic scrutiny, and integrity problems within the organization itself have almost paralyzed its functioning. The legal trial for hate speech by Dutch parliamentarian Geert Wilders may fail due to alleged political interference in the judicial procedure.

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 fully 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. Some observers defend this structure, arguing that only an entity with detailed and intimate knowledge of the practical difficulties associated with policy implementation and legal enforcement can offer sound advice to the government in this area.

Citation:


NRC Next, 22 February 2019. OM wil strenger zijn met schikkingen (NRC.nl, accessed 4 November 2019)

Binnenlands Bestuur, Burgemeesters eisen rol ‘crimefighter’ op, 12 January 2018 (binnenlandsbestuur.nl, accessed 28 October 2018)

Pieter Tops and Jan Tromp, 2016. De achterkant van Nederland.Leven onder de radar van de wet, Balans

RTL Nieuws, 30 July 2019. OM wil af van hoofdofficieren met geheime relatie en onderzoekt mogelijk strafbare feiten (rtlnieuw.nl, accessed 4 November 2019)
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. According to the Council for Jurisprudence (Raad voor de Rechtspraak), “[I]n the Netherlands, political appointments don’t exist. Selection of judges is a matter for judges themselves, of the courts and the Supreme Court, on the basis of expertise alone. You cannot even raise the issue of political or confessional convictions.” This is also true of the lower administrative courts. Only Geert Wilders, parliamentarian for the right-wing populist Party for Freedom, has proposed (in 2011) to substitute a five-year term for judges’ current lifetime appointment.

The Netherlands’ highest court, the Council of State, is subject to relatively strong political influence, mainly expressed through the appointment of former politicians, and through a considerable number of double appointments. Only 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:


NRC Next, 8 March 2011. Wilders pareert kritiek op plan tijdelijke benoeming rechters (nrs.nl, accessed 4 November 2019)

The Netherlands is considered a relatively 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 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 arguably increasing mega-corruption by mayors, aldermen, top-level provincial administrators, elected representatives or ministers. 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. In at least three (out of 17) areas, the Netherlands does not meet the standards for effective integrity policy as identified by Transparency International, with all three areas failing to prevent and appropriately prosecute corruption. Experts attribute this to a highly fragmented and operationally inconsistent network of public and semi-public organizations tasked with fighting corruption and fraud.

There have been more and more frequent prosecutions in major corruption scandals in the public sector involving top-executives – particularly in (government-commissioned) construction of infrastructure and housing, but also in education, healthcare and transport. Transparency problems in the public sector also involve lower ranks, job nominations and salaries for top-level administrators. Increasingly, police and customs officers have been prosecuted for assisting criminal organizations in illegal-drug production and transportation. One high-level police officer in a lecture for the Police Academy used the term “Netherlands Narcostate” to characterize the dire state of affairs.

In July 2016, a new law for the protection of whistleblowers entered into force. Experts consider the law to be largely symbolic, with real legal protection remaining minimal despite high administrative costs. A “house for whistleblowers,” intended to protect whistleblowers and facilitate their activities, proved to be a failure. The increasing amount of public sector corruption cases indicates either confusion or a political unwillingness to tackle the issue effectively.

Citation:
Transparency International Nederland (2018), Nationaal Integriteitsysteem Landenstudie Nederland.

Juridisch Actueel, Klokkenluiderswet is een feit, 15 March 2016 (juridischactueel.nl, consulted 9 November 2016)


Additional references:
integriteitsbeleid in Nederland. Deventer: Kluwer


https://tradingeconomics.com/netherlands/corruption-index
Governance

I. Executive Capacity

Strategic Capacity

The Dutch government has four strategic-planning units: the Scientific Council for Government Policy (Wetenschappelijke Raad voor het Regereingsbeleid, WRR), the Netherlands Bureau for Economic Policy (Centraal Plan Bureau, CPB), the Netherlands Institute for Social Research (Sociaal Cultureel Planbureau, SCP) and the Netherlands Environmental Assessment Bureau (Planbureau voor de Leefbaarheid, PBL). All of these are formally part of a ministry, but their statutes guarantee them independent watchdog and advisory functions.

Long-term steering capacity has traditionally been strong in the areas of water management and the management of care – that is, in ensuring the maximum opportunity for good care for every eligible citizen, for an acceptable cost. In 2016, the Dutch Association for Public Administration called for the mobilization of more strategic knowledge and steering capacity in national governance. In 2019, evidence has accumulated that this call has to some extent been heeded. The most salient shift in long-term governmental strategy has been to abandon the neoliberal policy model. At the end of 2018, a tax reduction for big corporations was still deemed to be a top priority, with the aim of creating a better investment environment. In 2019, however, concern definitely tilted toward addressing the stagnation in middle-class incomes despite five years of economic growth, and on ensuring that the burdens and costs imposed by the climate agreement would be shared fairly between corporations and consumers. After many years of discussion, a new pension agreement was reached because the government dropped its demands for a gradual but permanent increase in the age of pension eligibility. All this shows that the strategic shift has been more about consolidating and administrating care and social benefits than about fostering optimism and progress, as would be represented by investments in education or a substantial greening of the
economy. Huge demonstrations by farmers and construction companies against a new nitrogen-emission rule (using tractors and heavy machinery to paralyze traffic) forced the government to change course; equally large demonstrations by teachers and students prompted only government resistance.

Planning units have released a flurry of new policy proposals, although though their data and policy recommendations, in the age of science skepticism, have been attacked by the political parties that normally rely on them for political debate and deliberation. These proposals have addressed the areas of pensions, population growth, most aspects of climate change (the Urgenda verdict, the new nitrogen-emissions rule, biodiversity in the Dutch natural environment), the future of Dutch agriculture, traffic infrastructure and mobility, the future of care as a social issue, the role of money and financial regulation, and labor-market regulatory reforms, to cite just a few.

Citation:

The government frequently employs ad hoc 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. Depending on the nature of the policy issues, these experts may flexibly mobilize the required scientific bodies and scientists instead of relying on fixed advisory councils with fixed memberships. This also allows room for political flexibility – that is, by hiring commercial, private consultancies to provide politically desirable research and advice.
Although the use of scientific expertise is quite high, its actual influence on policymaking 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 the wider public. Since 2011, advice has regressed from relatively “strategic and long-term” to “technical, instrumental and mid-/short-term.”

As might be expected in times of political polarization and science skepticism, even members of parliament have expressed doubts as to the integrity of the knowledge institutes and the validity of their information. The research unit of the Ministry of Justice and Safety (Wetenschappelijk Onderzoeks – en Documentatie Centrum, WODC) has been subject to political meddling, and during the debates and deliberations on the climate agreement, the Environmental Planning Agency’s measurement and modeling practices came under regular scrutiny.

Nevertheless, the cabinet still appears to rely heavily on its knowledge institutes and departmental knowledge centers for its long-term strategies and decision-making. The scrutiny by political parties, members of parliament, civil society associations and journalists has generally been beneficial with regard to the transparency of information collection and the policy support provided by the government’s knowledge institutes.

Citation:


**Interministerial Coordination**

The Dutch prime minister is formally in charge of coordinating government policy as a whole, and has a concomitant range of powers, 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 interdepartmental conflicts; serving as the primary press spokesperson and first speaker in the States General; and speaking in international forums 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 rather limited capacity to evaluate the policy content of line-ministry proposals unless they openly clash with the government platform (regeer-akkoord). Of course, personal skills and experience make a difference, and Prime Minister Rutte has a reputation for excellent informal leadership and conflict management. But structural capacity remains weakly developed.

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:

M. Rutte, De minister-president: een aanbouw aan het huis van Thorbecke, Lecture by the Prime Minister, 12 October 2016 (rijksoverheid.nl, consulted 8 November 2016)

M. van Weezel and T. Broer, Max en Rhijs over de premier: het geheim van politiek trapezewerker en ‘nat zeepje’ Mark Rutte (Vrij Nederland, vn.nl, accessed 8 November 2019)

Nieuws.nl, 1 October 2019. Rutte moet regie nemen in stikstofkwestie (nieuws.nl, accessed 8 November 2019)


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/terms of reference itself. After that, however, it may take between six months and four years 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. It is difficult to draw conclusions regarding the effectiveness of informal coordination, information-sharing procedures and other such practices. High-level civil servants close to the prime minister have
complained about the increasing use of spin doctors and political assistants in such processes. But the prime minister has a good reputation with regard to formal leadership and conflict management.

Citation:

Cabinet Committees
Score: 8

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. This tendency has negative consequences for the quality of policymaking, as minority views effectively win parliamentary majorities if they are feasible from a budgetary perspective without first undergoing rigorous policy and legal analyses. In the second half of the Rutte II cabinet, the government had to garner political support for its policy initiatives through elaborate negotiations with political parties in the Senate/First Chamber who were not formally part of the governing coalition. Introducing a wider range of perspectives and decision criteria may have increased the quality of policymaking and the democratic nature of the process, given that not only ministerial committees but also political parties were involved.

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. They have embraced some Dutch variation of New Public Management thinking and practices. 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

De Correspondent, Den Haag bestuurt het land alsof het een bedrijf is. En democratie heeft het nakijken, 29 June 2018

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 a core members of the Council of Ministers consulted with the leaders of the political parties supporting the coalition in the Prime Minister’s Office (“Het Torentje”). Although sometimes considered objectionable – as it appears to contradict the ideal of dualism between the executive and the legislative – coalition governments cannot survive without this kind of high-level political coordination between the government and the States General. Given the weak parliamentary support held by the Rutte I and II councils of ministers (October 2010 – February 2017), 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 (raadadviseurs) 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.

Citation:
R.B. Andeweg and G.A. Irwin (2014), Governance and politics of the Netherlands. Houndmills,
Digitalization for Interministerial Coordination Score: 4

Digital technologies are not abundantly used in Dutch interministerial coordination. Like in ICT use across government in general, different departments use different systems whose interoperability is low or absent. Although the Legis project aspires to a more integrated ICT approach in the Dutch legislative system, results have been poor. For example, it is impossible as a non-insider to trace progress in legislative work on a particular bill, let alone to have an overview of all bills in preparation. Digitalization in legislation and interministerial coordination in the Netherlands clearly lags behind that in the United Kingdom or Finland.

In 2019, two important leaders in the push for improved ICT use within governmental departments resigned, and there are severe disagreements between the political and administrative levels of the Department of Internal Affairs and the leadership of the ICT Assessment Bureau, which was established in 2015 to coordinate ICT projects and contain cost overruns.

Citation:
W. Voermans et al., 2012. Legislative processes in transition. Comparative study of the legislative processes in Finland, Slovenia and the UK as a source of inspiration for enhancing the efficiency of the Dutch legislative process, Leiden University ((open access.leidenuniv.nl, accessed 31 October 2018)

Tweede Kamer, vergaderjaar 2014-5, 33 326, nr. 5, Eindrapport onderzoek naar ICT projecten bij de overheid (accessed 4 November 2018)


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 multi-criteria 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). In 2011, some policymakers suggested that ACTAL become a permanent rather than temporary body. 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 decided in 2017 that ACTAL would be succeeded by a formal advisory body, the Advisory Body on Assessment of Regulatory Burdens (Adviescollege Toetsing Regeldruk, ATR). At present, the ATR is involved in assessing a large number of regulations concerning topics such as small and medium-sized enterprises, social care, education and EU regulations.

Meanwhile, the Dutch government has been developing an integrated impact assessment framework for policy and legislation, which ought to be applied by every Dutch civil servant preparing policy documents for ministerial decision-making.

RIAs are obliged to identify one or several alternatives to the option chosen by an initiator. According to Advisory Board on Administrative Burden Reduction (ATR) 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 ATR as an independent body for evaluation has been changed to a legally established permanent advisory body.

Stakeholders and interested parties, typically including semi-public bodies and the lobbyists for commercial and/or professional associations (e.g., representing SMEs, social- and medical-care professionals, or farmers), are generally consulted in the intra- or interministerial preparation of bills and
policy proposals. Before a draft is passed onto the Council of Ministers, a proposal has to pass a wide range of quality tests, for example regarding budgetary effects, business effects, administrative-burden effects, and societal and environmental effects. After the proposal passes the administrative-burden test, the ATR (as a semi-independent watchdog) scrutinizes it once again. In some cases, departments publicize a draft bill as part of an e-consultation process to solicit feedback from citizens, but this practice is exceptional.

Given the continued and widespread complaints about regulatory burdens (e.g., by dentists, general practitioners, youth workers, nurses, farmers and shopkeepers, to mention just a few), there is some question as to the effectiveness of regulatory-burden-reduction campaigns and the efficacy of the ATR as an independent watchdog.

Citation:
W. Voermans et al., 2012. Legislative processes in transition, Leiden University (open access.leideuniv.nl, accessed 31 October 2018)
Staatscourant nr. 29814, 29 Mei 2017, Besluit van 17 mei 2017, nr. 2017000809, houdende instelling van het Adviescollege toetsing regeldruk

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. In 2017, the DNB (Dutch National Bank) announced checks on whether firms in the financial sector have sufficiently explored the risks of climate change in their policies. In the water sector, similar stress tests of policies by water management boards, and municipal and local water management/emergency plans are being prepared. In 2018, the results of recent climate-change platform debates, and negotiations between government, business and other stakeholders were elaborately scrutinized and re-calculated by the Planning Bureau for the Living Environment.
Nevertheless, as reported elsewhere (see “Environment”), the Dutch government has regularly helped economic sectors (farmers, fishermen, civil aviation) delay necessary action and downplay the urgency of sustainability problems.

Citation:
NRC.next, “DNB waarschuwt financiële sector voor risico’s klimaatverandering, 4 October 2017”

Kennisportaal Ruimtelijke Adaptatie, “Verplichte stress test wateroverlast voor waterschappen en gemeenten,” consulted 12 October 2017


The General Audit Chamber (Algemene Rekenkamer) scrutinizes ex post policy evaluations by ministerial departments. Since 2000, the chamber has reported its findings to parliament on the third Wednesday in May each year. In 2012, the government introduced the Regulation for Regular Evaluation Studies, which specifies research criteria for assessing policy efficiency, goal achievement, evidence-based policymaking and subsidy-based policies. Yet, time and again, the chamber has reported deficits in goal achievement and weaknesses in goal formulation, which undermine the quality of ex post evaluation research. Other weaknesses in policy evaluation studies include the lack of citizen perspectives, inability to accurately calculate societal costs and benefits, overreliance on input from implementing organizations for evidence and lack of public access to many evaluations. In line with the general trend toward more instrumental advice, over the last couple of years, the General Audit Chamber has focused its attention on specific points in departmental agendas.

Moreover, there are a wide range of additional non-obligatory evaluations produced by ministerial departments, parliament, government-sponsored knowledge institutes, the ombudsman, implementation bodies and quasi-independent non-governmental bodies. Since evaluation findings are just one factor in designing new or adjusting existing policies, it is not clear how much policy learning actually occurs. A recent study commissioned by the minister of finance assessed past evaluations and their use. The study confirmed that although “no other country evaluates so many of its policies,” policymaking civil servants and members of parliament are less sensitive to the outcomes of previous policies than to images and incidents (in the press). Moreover, obstruction and disinterestedness contribute to methodological weaknesses in many of the evaluation studies, this assessment found. For example, although
the government agreement stipulates that a new policy decriminalizing the use of hashish may be experimentally tested at the local level, interference in the study’s design has already made a politically unbiased evaluation of results as good as impossible.

Dutch ex post evaluators closely follow international trends of “evidence informed” and “behavioral knowledge” evaluation studies. There has been a tendency to move away from a focus on single, case-specific ex post evaluation studies to a focus on the construction of broader, more balanced departmental knowledge portfolios, in which ex post evaluation studies are embedded as elements in a larger body of knowledge accessible to policymakers and other participants in policy subsystems. It is not yet clear to what extent such trends in evaluation research really inform evaluation practices.

Citation:
A. Knottnerus, Van casus-specifieke beleidsevaluatie naar systematische opbouw van kennis en ervaring, Beleidsonderzoek Online, May 2016

Meyken Houppermans, ‘Wat is de toegevoegde waarde van de onafhankelijk deskundige bij beleidsdoorlichtingen?’, Beleidsonderzoek Online juni 2018, DOI: 10.5553/BO/221335502018000005001

A. Korsten, Wat ervan terecht komt. Zicht op beleidsevaluatie, April 2013 (arnokorsten.nl, accessed 31 October 2018)


NRC Next, Gemeenten krijgen toch wat ruimte om wiebelend te regelen. (NRC.nl, accessed 8 November 2019)

Societal Consultation

International references to the “polder model” as a form of consensus-building testify to the Dutch reputation for negotiating public support for public policies, sometimes as a precondition for parliamentary approval. In this 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 governments. Recent examples include the public debate on pension reform, the national summit on climate policy following the Paris Accords (involving five sectoral platforms:
electricity, built environment, industry, agriculture and land use, and mobility), and public health consultations (focusing on obesity, smoking and “problematic” alcohol consumption). The Rutte I and Rutte II councils of ministers produced societal agreements on austerity measures, 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. Quite recently, an agreement for a one-off additional budget for education, negotiated between the minister of education and teachers’ unions, fell apart because the unions’ negotiators turned out to have ignored their own constituency, which insisted on the implementation of structural measures. Another criticism is that results may be politically pre-cooked depending on who is sitting at the negotiation table. For example, in the negotiations over the climate agreement, this criticism applied to the discussions on energy and health issues, in which the results allegedly strongly reflected the interests of the energy and pharmaceutical industries.

Another criticism of the process is that it leads to sluggish policymaking, creating a “musical chair” process in which the responsibilities of government, business and influential civil society or non-governmental organizations remain blurred and undermine effective decision-making. The recent revival may owe more to the fact that none of the Rutte cabinets have been able to rely on solid parliamentary support than to any renewed vigor on the part of business, labor unions and civil society associations. A side-effect of the reviving “polder” tradition within a more fragmented political landscape may be the emergence of an extensive network of professional lobbyists. There are signs that business lobbies have notched conspicuous successes. For example, the highly contested (and eventually dropped) proposal to abandon the dividend tax proved to be linked to Unilever’s broken promise (made during the cabinet-formation process) to move its headquarters to the Netherlands.

Since 2011, national departments involved in developing new policies and legislative projects have been able to use the internet to consult with citizens, thereby avoiding some of the problems associated with the traditional “poldering” process. The extent to which this has been successful remains unclear.

Citation:

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

Internetconsultatie nieuwe wet – en regelbegeving (Rijksoverheid, accessed 8 November 2019)


**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.

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 internet-based citizen participation and communication channels in policymaking and political decision-making. For example, in 2011 the Dutch government decided to participate in the global Open Government Partnership. But in 2017 the Dutch government was criticized for structurally misleading and insufficient communication on issues of animal disease and food safety due to prioritizing agricultural interests over public health. In general, government communication occurs in an increasingly challenging media environment in which competition, polarization, trolling and “fake news” represent major challenges. The line between government communication and information, and defending government policies is becoming more and more blurred.
In 2019, in response to repeated criticism that the language used in official communications was unclear, the government decided to create an “Instant Clarity Brigade” (Direct Duidelijk Brigade) to assist departmental policymakers in writing more understandable proposals, rules and decrees.

Citation:

overheidsexpertise.nl/communicatie (overheidsexpertise.nl, accessed 8 November 2019)

NRC Next, 24 October 2019. De Direct Duidelijk Brigade moet teksten overheid weer begrijpelijk maken.


Implementation

According to an optimistic estimate by a leading newspaper, the Rutte II government implemented 80% of its policy initiatives during its four-year term. Of the 271 initiatives, 158 were successful and 59 were (partial) failures. Consequently, the Rutte II government justifiably claimed credit for renewed economic growth, the restoration of budgetary equilibrium and the passage of important austerity measures (e.g., an increase in working hours, reduced public funding for home care, a gradual decrease in tax relief on mortgages and caps on healthcare costs). In its first year, the Rutte III cabinet realized five of its 36 officially announced legislative initiatives; two of which simply involved abolishing (consultative referendum, fiscal reduction for home-owners) existing laws. In its second year, two of its big initiatives, a pension agreement and a climate agreement, were achieved. However, in its overall assessment of government performance in 2018–2019, the General Audit Chamber, in an especially pessimistic annual report, found most departmental reports inadequate owing to “bad memory” and inadequate records. For the first time, it also identified illegal expenditures.

Recent policy failures and implementation gaps can be found in virtually all policy areas and departments. This is no longer denied even in parliament. Such failures are generally considered to have resulted from the cuts imposed under the austerity policies of Rutte I and II. Inspectorates in the building, education and healthcare sectors are now considered weak. A similar situation is evident in the consumer and privacy protection field, especially with regard to the digitalization of citizen registrations and the accessibility of online-only government services. However, in the second half of 2019, the neoliberal austerity policy model was largely abandoned, and plans for new and additional public expenditures were announced.
The national government has devolved a significant number of tasks to subnational governments, which makes government and administrative responsibilities more fuzzy, and policy performance harder to evaluate. The share of local governments’ payment obligations that could be fulfilled decreased from 42% in 2009 to 35% in 2017 and was expected to decrease more in 2018. Provincial and local audit chambers 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 of policing, youth care and care for the elderly in particular are increasingly sources of complaints by citizens and professionals, and thus becoming matters of grave concern.

The government frequently formulates policy goals that are more far-reaching than those pursued in practice. The shift from an austerity model to a more expansionary spending policy in September 2019 will make it harder to make realistic evaluations of policy-implementation effectiveness. 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 as the legitimation for policy change.

Citation:
NRC – Handelsblad, De snijwonden van Rutte I en II.
Algemene Rekenkamer, Verantwoordingsdag. Toespraak President van de Algemene Rekenkamer, 15 May 2019 (Rijksoverheid, accessed 3 November 2019)
De Correspondent, 26 October 2019. De CO-2 heffing die nooit werd geïnd.

Dutch ministers’ hands are tied by 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, 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 record-long formation period for the Rutte III government, which consists of four coalition partners (VVD, CDA, CU, and D66), resulted in a detailed government agreement underwritten by all four parties and their ministers. However, structural cleavages (along left-
right, immigration and ethical issues) between the coalition parties have led to considerable inter-cabinet tensions, and thus opportunities for individual ministers to highlight their party-political affiliation and downplay the government agreement.

Citation:

Given the Prime Minister 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 philosophy developed in the 1970s. However, recent political developments (the election campaigns in 2010 and a Council of Ministers breakdown in 2012) have prevented this. In 2012, yet another system of program budgeting – “responsible budgeting” – was introduced.

Since 2013 to 2014, General Audit Chamber studies have indeed focused on particular subjects, and following some political consultation, on departmental domains. In 2012, the General Audit Chamber reported that just 50% of governmental policy initiatives were evaluated, most of these evaluations incorrectly were considered effectiveness studies. Hence, parliament remains largely ill-informed about the success of governmental goals and objectives. The problem may well be that members of parliament don’t really care because they are more concerned by achieving future projects than reflecting on past performance. In 2016, the government cut financing for the General Audit Chamber by €1.2 billion, meaning a personnel reduction from 273 to 233 full-time employees and outsourcing research for specific programs. In 2017, the audit chamber launched a website for monitoring ministerial compliance of audit chamber recommendations. Four out of five recommendations made by the audit chamber were complied with, according to ministerial self-reports. In 2019, delegation to line ministries resulted in surprise policy failures with regard to sustainability targets, dioxide emissions policy for agriculture and building activities, and toxic risks policy for soil and paints.

Citation:
Algemene Rekenkamer, Opvolging Aanbevelingen (Rijksoverheid, accessed 1 November 2018)


A 2016 evaluation of the national Framework Law on Agencies/Bureaucracies has insufficient scope according to a considerable number of members of parliament: 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. In 2014 – 2018, it became clear that several oversight agencies and inspectorates, such as the Inspectorate for Healthcare and the Authority for Consumers and Markets, were not quite up to their tasks.

The national government’s ICT projects too have been improperly 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. The Implementing Institute for Workers’ Insurances (Uitvoeringsinstituut Werknemersverzekeringen, UVW) has long struggled with apparently unsolvable problems, including delays in medical check-ups and increasing levels of fraud, while the inaccessibility of its ICT system is undermining communication with clients. Unemployment benefit fraud by immigrants with jobs went unpunished for years.

Parliament and journalists normally evaluate inspectorates on the basis of the number of unexpected failures, as well as through formal criteria of ministerial responsibility and accountability. This normally leads to considerable criticism and a call for more robust ministerial oversight. Yet, as independent government organizations focused on specific societal task areas (healthcare, food safety, customs clearance, transportation safety, etc.), inspectorates are meant to have a relatively wide scope for discretionary actions. In 2013, the Scientific Council of Government Policy (WRR) formulated a number of principles broadly defining the task of inspectors. This view stressed inspectors’ societal function, the evidence of societal outcomes, a governance approach, a reflexive approach and attention to core values. In 2019, the Inspection Council (Inspectieraad) published a report in which several experts judged the sector’s progress against this broader view. In a very general way, their conclusion was the current legal structure and the influence of ministerial oversight result in an inspection approach that is top-down and inside-out. The council advocates a more flexible bottom-up and outside-in approach that involved meaningful alliances between inspectorates and key actors in the field of governance and technological change.

Citation:
Decentralization and integration subsidies comprise 14% of all income from the general fund (Gemeentefonds). Policy-related national subsidies have decreased as a proportion of total income (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 decentralization 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 2017, this amount has increased to €1,645. Nevertheless, in the social-policy domain, municipal governments still ran a very considerable deficit in 2018–2019.

Local governments will be expected to “do more with less” in the coming 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. The Association of Dutch Local Governments (Vereniging Nederlandse Gemeenten, VNG) has installed a special advisory commission to look into the issue. The national government and VNG appear to be locked in a continuous round of negotiations over structural measures concerning the Gemeentefonds. Meanwhile, in the background, there is a political discussion concerning the future of municipal government: Should municipal governments deliver services to citizens that transcend present municipal boundaries, or should municipalities remain governance hubs of low-threshold accessibility and participatory governance? This latter path is exactly what has been proposed in the youth-care sector, the only field in which the national government has conceded the failure of decentralization and the current task funding model. Similar problems are evident across the entire educational sector, especially with regard to a shortage of teachers due to low salaries, task overload, large class sizes and a lack of professional freedom. These issues have yet to be recognized by the government in spite of a general teachers’ strike.

Citation:
VNG, De wondere wereld van de gemeentefinanciën, 2014 (eng.nl, consulted 9 November 2016)
CPB, Waarom zijn de gemeentelijke investeringen sinds 2009 zo sterk gedaald?, 30 October 2018 (CPB.nl)
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.

Starting in 2016, the Local Government Fund (Gemeentefonds) budget has increased in step with increases in the national government’s budget. The transfer of policy competencies in many domains of care imply that local discretion has increased, sometimes resulting in different treatment for similar cases by local governments in different parts of the country.

Citation:

Monitor Social Domain) that collects relevant policy evaluations and assists local governments in their management of information. In 2019, new task fields and dashboards were added to this tool. 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. Instead of strict output equality, official discourse now refers to “situational equality.” This development is counteracted by increasing cooperation by municipalities in transboundary tasks (e.g., garbage collection and treatment, youth care, and care for the elderly).

National standards are implicit in the nationwide local-government fund model, which allocates a share of national tax revenues to the roughly 360 local governments on the basis of numerous variables. This funding today comprises 86% of local-government budgets. Standards diverge, depending on how local governments handle policy problems in these domains. This in part reflects incomplete and imperfect horizontal coordination between local governments.

Citation:
Waarstaatjegemeente.nl, 26-10-2019 (waarstaatjegemeente.nl, accessed 1 November 2019)

In the Netherlands, regulatory enforcement by administrative bodies rather than legal prosecution by legal authorities is used to counter the efforts of criminal organizations to penetrate the formal economy and government administrations. Attention has been focused on illegal-drug production, traffic (notably in harbor cities, but also in the relatively empty rural areas of the country’s south and east), transportation and trade, as well as on human trafficking (women, refugees). Special police teams, mayors of larger cities, national and local public prosecutors, and fiscal detectives collaborate in detecting drug and human trafficking gangs – or, through the use of ordinary administrative laws, to “harass” drug and human traffickers to such an extent that they close or, more frequently, relocate. Studies trying to estimate the effectiveness of such methods have been methodologically contested and are thus inconclusive. It is in connection to illegal drugs and human trafficking, that mayors of larger cities and sometimes small, rural villages become “crime fighters.” Another attention area is the integrity of political and administrative bodies. In the recent local elections, some municipalities and political parties screened aspiring new council members’ civic conduct status to a hitherto
unusual extent. Integrity screening for police and customs officers, and sometimes high-level civil servants has also been strengthened. Recently, two aldermen in The Hague were accused by public prosecutors of accepting bribes by local entrepreneurs. The narrowing of the criminological definition of “undermining” has been criticized by those who examine big corporations and financial institutions who abuse regulations and lax oversight, commit fraud and corruption, or do not comply with environmental regulations, especially regarding agriculture and chemistry. It is often claimed that regulations are not strictly enforced with regard to white-collar crimes, the implication being one of a classist justice system. However, it seems that the Dutch government overall tries to enforce rules effectively and fairly but increasingly appears to fail.

Citation:
P. Tops and J. Tromp, 2019. De achterkant van Amsterdam
Trouw, 31 August 2019. Niet alleen in Amsterdam zijn drugs een probleem.

Follow the Money, Voor echte undermining moet je op de Zuidas zijn, 28 August, 2018 (ftm.nl, accessed 1 November 2018)

J. Brouwer, in NRC-Handelsblad, “Ondermijning” is een los begrip, 1 October 2018

Joop BNNVARA, 4 September 2019 Deskundige serveert Amsterdams drugsrapport Tops en Tromp af (joop.bnn.vara.nl, accesses 28 October 2019)

NRC Handelsblad,1 October 2019. Haagse wethouders beschuldigd van corruptie, college vraagt om terugtreding.

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 1848 constitution, “Thorbecke’s house.” The Council of State, which is the highest court of appeal in administrative law, is still part of the executive, not the judiciary. A brief experiment with consultative referendums was nipped in the bud early in the Rutte III cabinet rule. The Netherlands is one of the last countries in Europe in which mayors are 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. Given the Dutch citizens’ relatively high level of trust in national institutions, it could be argued there was no need for reforms.

The most recent episode in this saga of institutional stability (or inertia) was a report by the Remkes Commission, which advocated state reforms rebalancing
the demands of democracy and the rule of law. Among its 83 recommendations, the report advocated for the direct election of politicians tasked with forming new cabinets, the introduction of a binding corrective referendum process, the establishment of a Constitutional Court tasked with assessing the constitutionality of parliamentary laws, and procedures that would give voters greater influence over who is elected to parliament. The commission also called for a new political culture that would accept less detailed government coalition agreements, and would be more willing to consider the possibility of minority governments.

Information about EU policies and decisions reach the Dutch parliament through a large number of special channels. Although the number of civil servants with legal, economic and administrative expertise at the EU level has undoubtedly increased due to their participation in EU consultative procedures, no new structural adjustments in departmental policy and legislative preparation have been implemented. At present, a political mood of “Dutch interests first” translates into a political attitude of unwillingness (beyond what has already been achieved) to adapt domestic political and policy infrastructure to international, particularly EU, trends and developments.

Citation:
Gemeentelijke en provinciale herindelingen in Nederland (home.kpn.nl/pagklein/gemhis.html, consulted 27 October 2014)
NOS, De haat-liefde verhouding van premier Rutte met de EU, 13 June 2018
Trouw, Dat het voorlopig gedaan is met referendums is niet meer dan terecht, 28 February 2018
Staatscommissie parlementair stelsel (die. Remkes), December 2018. Lage drempels, hoge dijken.Democratie en rechtsstaat in balans, Amsterdam: Boom
Eurofound, 2018. Societal change in change in institutions, Publications Office of the European Union, Luxembourg (esp. Table 3)

The Netherlands has been a 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 and the rejection of the EU treaty with Ukraine in a non-binding 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 a minister of general and European affairs, with heavy support from the minister of finance. The Dutch and the Germans routinely put the brakes on further unification of EU policies in the policy domain of banking and finance; moreover, the Dutch have resisted efforts to dismantle tax and financial rules that have turned the Netherlands into a tax haven for American and Russian capital. The vice-president of the European Commission, Timmermans, is a former Dutch minister. In the close race to succeed Juncker as president of the European Commission, he was the lead candidate for the Socialists in the European Parliament, but ultimately lost. The Dutch minister for Development Aid and Trade plays an important role in fostering better cooperation between governments, international companies and international aid organizations through transnational treaties on production and supply chains. The Netherlands will be part of the UN Security Council for the next year.

Citation:

Adviesraad International Vraagstukken, TK Vergaderjaar 2017-18, nr. 23987 nr. 260, Coalitievorming na de Brexit. Allianties voor een Europese Unie die moderniseert en beschermt, 7 September 2018

De Correspondent, 1 March 2019. Nederland blijft EU-plannen dwarsbomen die zijn positie als belastingparadijs bedreigen. (decorrespondent.nl, accessed 3 November 2019)

NPO, 7 May 2019. Hoekstra wil leidende rol Duitsland in gemoderniseerde EU.

Organizational Reform

There have only been two visible changes in the institutional practices of the Dutch government at the national level. One is that the monarch was stripped of participation in cabinet-formation processes in 2012; the second chamber or
senate now formally directs that process. The effect on government formation was very mixed, with a historically rapid formation in 2012 and the longest-lasting coalition formation process in 2017. The second change was the informal adaptation to lower levels of parliamentary support on the part of the Rutte I and II governments. Informal coordination processes between government ministers, and all members of the senate and second chamber have become crucial for governing at the national level. Following provincial elections in 2019, this also applies to the present Rutte III cabinet.

Two open organizational-reform crises have emerged in recent times that threaten citizens’ well-being in the long run. The first is the underfunded, understaffed and ill-considered transfer of policy responsibility to municipal and local governments within important domains such as youth care, healthcare and senior-citizen care. However, experiments in local budgeting and deliberative and participatory policymaking (Code Oranje, Civocracy) have gained a modicum of traction at the local level.

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. One manifestation of this crisis in the organizational reform of policing has been the polarization of views on the role of mayors in fighting local (often drug-related) crime. Some observers want mayors to be crime fighters; others argue that the office holder should merely stay informed regarding prosecutions and policy actions. The digitalization 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.

Although institutional arrangements are monitored regularly (Scientific Council of the Government on Citizen Self-Reliance, Council for Public Administration on Local Democracy and annual reports by the national Council of State), recommendations and plans are not followed up due to a lack of political will. In 2019, the Council of State warned that there was a risk of subjecting parliamentary legislation to the outcomes of poldering practices that effectively give too much power to organized and vested stakeholder interests (e.g., in the context of the big agreements on housing, pensions and climate).
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 weak, though there are signs that government officials and politicians are actively considering and in some cases have even adopted proposals for strategic change. However, due to the long period of austerity, which came to an end only in 2019, strategic capacities have not been strengthened. Experiments in participatory budgeting and local democracy may somewhat harness citizen knowledge and expertise to local government. A policy mood, which is only slowly adapting to European developments, may also result in some institutional reform over the mid-term.

II. Executive Accountability

Citizens’ Participatory Competence

Dutch citizens claim to spend slightly more time than the average European citizen on collecting 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 much 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.

In addition to disinterest and an increasing knowledge gap between educational levels, increasing (foreign-led) efforts to disseminate
disinformation and create “fake news” have had a deleterious effect on knowledge levels regarding political issues and decision-making. Moreover, studies conducted during the 2017 election showed that an increasing number of citizens from the younger cohorts have begun to avoid political news.

Research among voters in local elections shows that citizens hold the national government accountable for local policy. Moreover, they have more trust in local political institutions (mayor, aldermen, political parties) than in their national counterparts. Furthermore, people participate in local elections, but at much reduced rates in more participatory alternatives, while the public views the physical environment as the country’s most pressing policy issue.

In 2018 – 2019, the Our Money (Ons Geld) citizen initiative, which managed to put issues of money and (public) debt on the agenda, represented an exceptional case of active citizenship. One of its results was a WRR report recommending more diversity in the financial sector, an end to excessive debts, better preparation for the next financial crisis, and the establishment of a public bank for citizen savings. Another example of civic mobilization involved the 2018 mobilization of residents in areas plagued by airplane noise associated with Schiphol Airport, and the clear impact that activists and lobby groups had on the expansion plan for Schiphol Airport. Research by Bovens and Wille found that differences in education levels have become increasingly salient factors when it comes to citizens’ powers in processing policy information, political judgments about the European Union, issues of immigration and integration, and political leadership.

The SCP recently found that Dutch citizens split evenly over the issue of more or less direct influence by citizens. It is the less educated who demand more political influence, whereas higher educated citizens, especially those with tertiary qualifications, do not support the idea. A recent study into citizen attitudes to the European Union, undertaken by TNS/Kantar Nipo and commissioned by the Green Left party, found that Dutch citizens are caught in a dependence-cum-distrust situation: they instinctively distrust the European Union and would resist transferring more national powers to the EU level, but simultaneously believe that the European Union should have greater influence over most policy domains.

There have been a wide and broad range of initiatives across all levels of government in all kinds of citizen engagement projects, from interactive policymaking to citizen-budgets and citizen-juries, youth councils and local referendums, just to name a few. Public apathy in many participatory options and low levels of knowledge on policies co-exists with widespread discontent with politics and governance. A surge in street protests and large-scale
demonstrations was evident in 2019. This was driven in part by the Dutch counterparts of the French “yellow vests,” students and other younger people united in Extinction Rebellion, and climate and animal activists. However, teachers, farmers and building-industry employees (and employers) all launched one or more mass demonstrations against government policies. Overall, it appears that citizen-initiated efforts to exert power outside and beyond government-sponsored participatory policy exercises are gaining in political salience.

Citation:
M. Bovens, and A. Wille, 2011. Diplomademocratie. Over spanningen tussen meritocratie en democratie, Bert Bakker
Stichting Kiezersonderzoek Nederland, 2016. Democratie dichterbij: Lokaal kiezersonderzoek 2016 (kennisopenbaarbestuur.nl)
NOS, Organisaties omwonenden van vliegvelden bundelen krachten, 16 May 2018
NRC Handelsblad, 17 October, 2019. Laat zien dat je met veel bent en verstoor de openbare orde.

The most important and high-prestige knowledge institutes (CPB, PBL, SCP and WRR) regularly publish comprehensive, timely and accurate data. Such information is used in the annual information packages that accompany parliamentary deliberation and decision-making on the national budget. Throughout the year, government provides topical information about issues pertaining to ministerial policy agendas on the government website. For politically engaged citizens, it is thus quite possible to be well-informed on government policies. In the Edelman Trust Index 2019, the Netherlands scored a relatively high and unchanged 54 with regard to trust in government information, indicating an average “neutral” position falling between trust and distrust. Political parties sometimes openly express distrust in the numbers released by the high-prestige knowledge institutes if these contradict their policy preferences.

In other cases (e.g., the WODC research into drugs policy, the outbreak of Q-fever in rural areas, the continued use of carcinogenic agents in military paint and sensitivity to earthquakes in areas of gas exploitation), the government interfered in the findings of government-sponsored research. Open
government regulation offers public access to most routine government information. Though the law also offers decision-makers plenty of opportunities to withhold or delay information if “necessary” for political convenience. There are several blatant cases of government misinformation and/or information delays, frequently because civil servants are alleged to have belatedly or incompletely informed ministers in order to shield ministers from media scrutiny or to spin the information.

Investigative journalism articles published in De Correspondent and Follow the Money have disclosed hidden governance issues and government facilitation of structural business lobbying arrangements.

Citation:
NRC-Handelblad, De eenzame strijd van een klokkenluider bij Justitie, 18 June, 2018
Volkskrant, Q-koorts slachtoffers voelen zich niet serieus genomen door de overheid: ‘Het is een grof schandaal,’ 26 September 2018
NRC-Handelsblad, Defensie gebruik nog steeds kankerverwekkende verf, 22 October 2018
De Volkskrant, 2 October 2019. RIVM reageert op kritiek: stikstofmetingen deugen wel.

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 government coalitions supported by the majority of the States General. As an institution, the States General is not necessarily a unified actor. As basically every parliamentary vote can result in the downfall of a government, this creates mutual dependence for survival: parliamentary groups supporting the government (part of the legislature) and government ministers (the executive) become fused, which threatens the democratic principle of control and accountability.

Moreover, the States General’s institutional resources are modest. Approximately 600 staff assist parliamentarians in developing legislation,
knowledge storage and use, and ICT issues. Dutch members of parliament in large parliamentary factions have one staffer each, while members of parliament of smaller factions share just a few staffers. Members of parliament of coalition parties are usually better informed than opposition members of parliament. Members of parliament do have the right to summon and interrogate ministers, although 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 members of parliament with close affinity to the policy issues of the department involved. The small Parliamentary Bureau for Research and Public Expenditure does not produce independent research, but provides assistance to the parliament.

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 members of parliament and departmental officials are extremely rare. Members of parliament can ask officials to testify under oath only in the case of formal parliamentary surveys or investigations, but this is considered an extraordinarily time-consuming instrument and is used only in exceptional cases.

At present, members of parliament are exploring the possibility of creating a so-called light parliamentary investigation as a less time-consuming format that is somewhere between a hearing and an investigation. In 2016, a majority of parliament requested such an investigation-light procedure following the publication of the Panama Papers. Formally, the States General may use the expertise of a governmental advisory body, but this process is closely supervised by the minister under whose departmental responsibility the respective advisory body functions. Only the Rathenau Institute (for scientific and technological issues) works exclusively for the States General.

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

Parlementaire enquêtes (tweedekamer.nl, consulted 10 November 2016)

Wikipedia, Parlementaire enquête in Nederland (nl.m.wikipedia.org, accessed 3 November 2018)
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.”

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. Recently, the minister for public health canceled international commitments in favor of dealing with parliamentary issues concerning the bankruptcy of two local hospitals.

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.
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). Members of parliament in these parliamentary oversight committees usually have close contacts with (deputy) ministers and high-level civil servants in the departments they oversee. Some observers see this as having contributed to a mutual interweaving of the executive and legislative branch of the government, thereby diminishing the executive’s accountability to the legislature. There are approximately 1,700 public and non-public committee meetings per year. By giving the committees the right to introduce, discuss and vote on motions (without a subsequent plenary debate and voting), the pressure on the plenary meetings could be reduced, and the oversight role of the committees strengthened.

There has been a debate about the Committee on Security (Commissie Stiekem), which includes all leaders of the political parties, as some lawmakers have expressed concern about a lack of effective parliamentary oversight on crucial security issues. Very little is known about why such criticism was voiced and how members look at their role in the parliamentary committee. Other committees have public sessions (since 1966) that are broadcast, which means that there is more information available on the activities of the various political parties. Over time, the core of parliamentary activity has moved from the plenary sessions to the committees.

Citation:
Commissies (tweedekamer.nl, consulted 6 November 2014)
S. Otjes, 6 February 2019, Wie bepaalt de agenda van de Tweede Kamer? (stukroodvlees.nl, accessed 8 November 2019)


Media

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. Nevertheless, the National Broadcasting Organization (NPO) is facing significant difficulties. Broadcasting organizations have lost as many as a million paying members in recent years, and members’ average age now is 58. Younger people are increasingly shifting to online sources. In political circles, the NPO is regarded as inert, complicated and wasteful. Right-wing populist parties criticize NPO as being left-leaning; for their part, liberals and commercial broadcasters see the NPO as being state-subsidized competition. Some political effort has been made to rebalance public and advertisement-derived funding in order to make NPO budgets leaner. The recent government plans for reforming the NPO (less time for advertising, more cooperation between regional and local broadcasters, more online content, and more centralized leadership among a diverse set of broadcasting organizations) have drawn considerable criticism.

Although newspaper circulation dropped again in 2018, a majority of Dutch citizens (55%) still read a newspaper or listened to the radio every day as recently as that year. Newspaper readers are to be found with relatively more frequency among the older and more highly educated population segments, and digital subscriptions are on the rise. The number of high-quality newspapers is fairly low. Younger people spend more time listening, watching and communicating on online platforms than do older people. Social-media platforms have become sources of news even for journalists. Regional and local newspapers in particular are experiencing severe financial troubles, owing to strong consolidation and concentration tendencies, and there has been a significant increase the number of one-paper and even no-paper cities. The internet is used daily by 86% of Dutch citizens.

The Commissariat for the Media, which is tasked with monitoring the diversity and accuracy of media information about government and public-policy issues, has reported a continuous and severe concentration in the ownership of media outlets. Yet it has also stated that this has not as yet resulted in a lack of pluralism or an impoverishment of news sources and varieties. In the digital sphere, viewers and consumers clearly have more choices. The past decade has seen a large expansion in digital radio and television programming. This has resulted in a richer supply of broadcasters, bundled in so-called plus packages, and more recently of podcasts, which serve their target groups with theme-specific broadcasts. Mediamonitor 2019 reported that compared to citizens of
other countries, Dutch citizens have high trust in media reports and report relatively little fake news.

Public broadcasting – an important source of media plurality – is increasingly under pressure due to reductions in revenue from advertising (advertisers moving to social media). Moreover, the challenges of “fake news” and other methods of misinformation are significant, and the government has expressed concerns regarding the quality and pluralism of online news outlets and information.

Citation:
Rathenau Instituut, 21 November 2018. Schriftelijke bijdrage van het Rathenau Instituut|Rondetafelsgesprek Toekomst van het medialandschap, Vaste Kamercommissie OCW
De Sociale Staat van Nederland 2019 (https://www.scp.nl/Publicaties/Alle_publicaties/Publicaties_2019/De_sociale_staat_van_Nederland_2019)
NRC Next, 27 November 2019. Vier publieke omroepen: welke wordt het?
NRC Next, 18 June, 2019. Moet meer regienieuws de omroep redden?

Parties and Interest Associations

The dominant political view is that government interference in private organizations like political parties is incompatible with the role of the state in a liberal democracy. A law for internal party democracy is appropriate for countries with a history of non-democratic governance (e.g., Germany, some states in southern Europe and in central and eastern Europe). However, in the Netherlands with its strong democratic tradition, many consider it superfluous. Several recent reports show the vulnerability of Dutch democracy to (international) manipulation through weak controls over and accountability for party finance, political campaigning and candidate selection. For example, some political parties deal with their representatives’ ethical issues within internal councils or executive organs, political parties report inflated numbers of formal members in order to boost state subsidies, and candidate lists and leadership-succession practices frequently lack transparency, illustrating Robert Michels’ thesis that political parties act as oligarchies. In addition, political parties are not obliged to have a membership organization or conduct internal decision-making practices democratically. One party (the anti-immigrant party PVV) has only one member – its leader – and not even its members of parliament or local elected officials are able to join the party they
represent. Some political scientists therefore advocate a separate law on political parties and an independent (non-state) commission for oversight and enforcement.

The very narrow basis of political parties is reflected in their membership figures. Political-party membership reached an all-time low of 285,851 in 2015. It increased to 315,000 in 2018 (2.4% of the electorate), owing to an increase in young voters joining the Green Left and Forum for Democracy. Approximately 10% of party members are considered active. Frequently party activism is used as a launching pad for a political career. Across all major political parties, political activists and (semi-)professionals now dominate decision-making with regard to candidate lists and political agendas. Political parties are not bottom-up movements. Rather, they are intermediaries between political elites and their electorates, with political-party members as links. Intra-party democracy (e.g., party congresses, election of party leaders and intra-party referendums) sometimes prove to be counterproductive. One former minister of defense and Labor party member commented: “Party congresses don’t buy combat planes.” Party leadership succession, even in political parties with some tradition of intra-party democracy (e.g., Labor and D66), is not democratically regulated, but is often determined by opaque, “spontaneous” selection processes managed by party elites.

The functional loss of political parties as clear representatives of social groups reverberates across the political system at all levels. Particularly the mobilization and integration into politics of lower-educated citizens has declined. Paired with the decline of the centrist parties (in particular the social-democratic PvdA and Christian democratic CDA), the rise of more extremist and fringe parties, increasing electoral volatility, parliamentary fragmentation, polarization on particularly cultural issues and strong anti-establishment sentiments have created anxieties regarding the ethical practices of politicians and political parties.


Montequieu Instituut, Er moet in Nederland, net als in Duitsland, een ‘Parteiengesetz’ komen, december 2012 (montesquieu-instituut.nl)

NRC Handelsblad, 26 January 2019. Kabinet: verbod op partijfinanciering van buiten de EU.


T. van der Meer, Democratische doemdenkers hebben het mis, Sociale Vraagstukken, 18 January 2017 (socialevraagstukken.nl, accessed 3 November 2018)

https://www.rijksoverheid.nl/documenten/rapporten/2018/02/01/rapport-het-publieke-belang-van-politieke-partijen
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 market and other important socioeconomic policy issues. These processes have become institutionalized. For instance, there are tripartite negotiations in which employers, employees and government experts 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, membership in trade unions has shown a continuous decline, with younger people in particular rejecting the idea of union membership. In addition, members and supporters of trade unions and professional and commercial associations frequently have more radical opinions than their representatives. In recent demonstrations, especially by farmers, teachers and hospital workers, association representatives in negotiations with the government were called back by their followers.

However, this institutionalized “poldering” model 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, the Amsterdam (later Holland) Financial Center (Engelen), or Dutch Trade Investment Board (Follow the Money) has proven more than successful in influencing public policies on corporate governance, in easing regulation of the banking and financial sector, and in keeping taxes for business low. There is convincing evidence that in terms of election programs and promises, over the long run, Dutch households have been systematically disadvantaged compared to corporations and business. For example, tax reductions and exemptions for business were systematically higher than for ordinary citizens.

Citation:

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

NRC-Handelsblad, Vooral bedrijven krijgen hun zin, burgers niet, 8 October 2018
Policymaking in the Netherlands has a strong neo-corporatist (“poldering”) tradition that systematically involves all kinds of interest associations in the early stages of the policymaking process – not just with regard to business and labor issues, but also in the education, care and health sectors. 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.

During the cabinet-formation process from April to October 2017, many non-economic associations – representing the arts, education, the elderly and the care sector – inundated negotiators with policy memos and demands. For example, the citizen initiative led by Hugo Borst and Carin Greamers contained 10 policy recommendations, and was later underwritten by practically all relevant stakeholder associations and received support in parliament. Sometimes, as in a recent taxation debate between the association of social housing corporations and the government, the tradition of building consensus through “poldering” can quickly become a process of hard bargaining. A collaboration of activists opposing low-altitude flights (Samenwerkende Actiegroepen Tegen Laagvliegen) justified their resistance to a new airport using reports that countered departmental policy research, and by citing expert opinions on EU rules (e.g., on issues of nitrogen thresholds and a level playing field in business competition).

Citation:
F. Hendriks and Th. Toonen (eds), Schikken plooien. De stroperige staat bij nader inzien, Assen, Van Gorcum, 1998

J. Woldendorp, The Polder Model: From Disease to Miracle? Dutch Neo-Corporatism 1965-2000, Free University Amsterdam, 2005
Independent Supervisory Bodies

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 ministers. However, such requests are not formal due to the independent status of the General Audit Chamber. Requests by citizens are also taken into account. Every year, the chamber checks the financial evaluations of the ministries. Chamber reports are publicly accessible and can be found online and as parliamentary publications (Kamerstuk). Through unfortunate timing in view of (more) important political developments, in recent years such evaluations played only a minor role in parliamentary debates and government accountability problems. By selecting key issues in each departmental domain, the General Audit Chamber hopes to improve its efficacy as instrumental advice. In addition, there is an evident trend within the chamber to shift the focus of audits and policy evaluations from “oversight” to “insight.” In other words, the chamber is shifting from ex post accountability to ongoing policy-oriented learning. Unfortunately, this has been accompanied by a substantial reduction in resources for the Audit Chamber, resulting in a loss of 40 full-time employees and the need to outsource research frequently.

Citation:
http://www.rekenkamer.nl/Over_de_Algemene_Rekenkamer

P. Koning, Van toezicht naar inzicht, Beleidsonderzoek Online, July 2015

Algemene Rekenkamer, Een toekomstbestendige Algemene Rekenkamer, 13 October 2016 (rekenkamer.nl, consulted 10 November 2016)

Algemene Rekenkamer, Ambtelijke baas Algemene Rekenkamer naar Authorities Financiële Mededinging, Nieuwbericht 28 August 2017

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; then 13 months passed before the present ombudsman, a renowned judge, formally took over. The National Ombudsman office 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 ombudsman’s tasks are shifting toward providing concrete and active assistance to citizens who – due to debt and poverty, digitalization and other problems with access to government regulation – have lost their way in the bureaucratic process. On such issues, the ombudsman’s reports have in recent years become harsher in their judgments, as was the case for his forerunner. The national ombudsman is assisted by deputies tasked with addressing problems facing children and veterans.

Citation:
De Nationale Ombudsman, Mijn onbegrijpelijke overheid. Verslag van de Nationale ombudsman over 2012.

De Nationale Ombudsman, Persoonlijk…of niet? Digitaal…of niet? (jaarverslag.nationaleombudsman.nl, consulted 6 November 2014)

http://www.nationaleombudsman.nl/?gclid=CMPrv8vGlttrcCFeI3godZH0AkJQ

Jaarverslag Nationale Ombudsman, 2017, Tweede Kamer, vergaderjaar 2017-18, 34 890, nr. 2


The Dutch Data Protection Agency (Authoriteit Persoonsgegevens, DPA) succeeded the “College Bescherming Persoonsgegevens” (CBP) in 2016, and simultaneously saw its formal competencies enhanced by the right to fine public and private organizations in violation of Dutch and since mid-2018 European data protections laws (the General Data Protection Regulation, GDPR).

Effective data protection is practically impossible since 2016 for a number of reasons: many capable personnel have left the DPA, even though the number of staff has increased; the new leadership is considered to be in disarray; the organization is under-financed; hardly any consequential fines have been imposed; “naming and shaming” appears to work, but oversight capacity is lacking; laws and regulations are frequently changing, and consequently
monitoring and jurisprudence are constantly “in the making.” It looks like the DPA is evolving from a supervisory body to an organization that advises both public and private organizations, and individual citizens on privacy issues, and on how to deal with personal data in ways that (more or less) comply with ever changing regulations and interpretations. All in all, the DPA operates in self-contradictory ways (as both a “hard” inspectorate, and a “soft” advisory body that “names and shames,” and advises commercial and public data-users and data-providers) in a technologically turbulent environment. In 2019, the DPA found that most data leaks are caused through sloppiness in addressing documents and emails; that this occurs more in institutions of care than anywhere else; and that victims are usually individuals rather than entire categories of people. One exception led to a €460,000 fine for a hospital that had failed to protect its patient files sufficiently. Also in 2019, the DPA received an additional €3.4 million in funding for enforcement of the General Decree for Data Protection (Algemene Verordening Gegevensbescherming, AVG) and EU privacy rules.

Citation:
https://www.hr-kiosk.nl/hoofdstuk/privacy/autoriteit-persoonsgegevens#on-rust
https://nl.m.wikipedia.org/wiki/Autoriteit_Persoonsgegevens
https://www.techzine.nl/nieuws/411568/nationale-politie-krijgt-boete-van-de-autoriteit-persoonsgegevens.html

Volkskrant, Tweede kamer is gerommel by Autoriteit Persoonsgegevens zat, 13 July, 2018

VPNGids.nl, Onderzoek Autoriteit Persoonsgegeven: Messte datalekken vinden plaats vanwege fouten in adressering (vpngids.nl, accessed 4 November 2019)

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