Kommunsammanlägningar – vad kan vi lära av Danmarks kommunreform?

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Outline

- Main elements of the reform

- Effects of municipal amalgamations:
  (Pre-reform hoarding)
  For Citizens and Politicians
  Economic Capacity & Effectiveness

- Discussion: can the Danish experiences be transferred to Sweden?
1. Improved fiscal management capacity – but losses on the democratic account

2. Improved economic and professional sustainability – for tasks the municipalities also had before the reform

3. Significant scale effects with regard to administration and road maintenance – that seem to be reallocated for services for children with special needs, social security and unemployment programs
Main objectives

- Reduced economic vulnerability
- Increased economic and professional capacity
- “One entrance to the public sector”
- (fewer intermunicipal cooperations)
- (less detailed state regulation, more goal-oriented and result-based management)
Central reform elements. Implemented 1.1.2007

- **Municipal amalgamations**

  271 municipalities reduced to 98

  239 → 66, +32 untouched

  (quasi-eksperimental research designs)

- **Changes in tasks**

  Institutions for children and young people with social or behavioural problems

  Handicapped, drug abusers, homeless etc.

  Special education

  County roads, environmental issues, cofinancing of health services etc.
Average size of municipalities increased from 20,000 inhabitants to 55,000
Effects of amalgamations

Pre-reform hoarding/amalgamation costs

- Larger budget overruns in amalgamating municipalities in 2006, both for current and capital expenditures
- Drainage of liquid assets and increased long term debt in amalgamating municipalities, especially the last year before amalgamation and especially in the smaller municipalities of each amalgamation

Consequences for Citizens

- Increased size reduces citizens’ internal Political Efficacy.
  Sometimes local politics seems so complicated that a person like me can’t really understand what’s going on
  I feel that I have a pretty good understanding of the important political issues facing our municipality
  (less effect 6 years after the reform)

- Increased size reduces Political Trust
  Trust in the integrity, competence and responsiveness of elected municipal councillors (less effect 6 years after the reform, however still significant effect for responsiveness)

- Increased size reduces citizen satisfaction with municipal service and local democracy (not tested after 2009)

- Increased size reduces affective attachment to the municipality (2009 and 2013)

- Increased size has no effect on electoral turnout

Surveys in 2001, 2009 and 2013
Consequences for Politicians

- Number of councillors reduced from 4650 to 2500
- Increased workload
- More focus on political visions and objectives, less issue focusing
- A feeling of more central regulation and – in amalgamated municipalities – more influence to the local administration
- Increased feeling of own influence in the municipal council (in non-amalgamated municipalities)
Fiscal management capacity and effectiveness

Realised operating result

Administrative costs


*her opdateret med 2015 data*
Economic scale effects across 8 core policy areas

- *Positive* scale effects for administration and road maintenance
- No effects for schools, day care and care for the elderly
- *Negative* amalgamation effects for children with special needs and social security/unemployment programs
- No effects for total expenditures
- → Important distinction: Is the service produced at municipal/firm level or institutional/plant level?

No significant scale effects for total expenditures
Indications of consequences of changes in tasks

- Economic and professional sustainability improved for old tasks
- Economic and professional sustainability reduced for new tasks

‘Repatriation’ of citizens with special needs (handicapped, children and young people with behavioural problems etc.) and closing of specialized institutions

- Continuous challenges with the functional interface between municipalities and regions in the health sector and for specialised social tasks (responsibility, co-operation, coordination etc.)
Major structural changes after the reform - with NO particular amalgamation effect

- Fewer and larger schools
- Fewer and larger day care institutions, especially in urbanized areas
- Higher levels of contracting out
- Increased urbanization
- Demographic changes (more elderly, less children)
The conclusion in a few headlines

1. Improved fiscal management capacity – but losses on the democratic account

2. Improved economic and professional sustainability – for tasks the municipalities also had before the reform

3. Significant scale effects with regard to administration and road maintenance – that seem to be reallocated for services for children with special needs, social security and unemployment programs
Discussion: can the Danish experiences be transferred to Sweden?

- Will the economic scale effects be larger or smaller in Sweden?
- Will the democratic losses be larger or smaller in Sweden?
- What can be done to minimize democratic losses?