Small and shrinking municipalities – a new amalgamation-reform on the agenda?

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Presentation builds on


Snapshot: historical context

- 1952 ”Storkommunreformen” (2 500 -> ca 1 000)
- 1962-1974 ”Kommunblocksreformen” ( -> 277)
  - Ca 1 500 ceased to exist in 22 years
  - One of the most extensive administrative reforms in a modern western democracy (cf Kjellberg 1988)
Remember: large responsibilities for Swedish municipalities

- (Comparatively) strong local government
- Account for almost 2/3 of all public output in Sweden
  - ca 530 billion SEK; i.e. 7 560 billion ISK...

- Responsible for core areas for the welfare state:
  - Pre-schools, primary and secondary education
  - Social services
  - Elderly care
  - Etcetera...
Why care about Swedish municipal structure today?

• Rapid urbanization!

• In particular: small, rural municipalities shrinking
  
  Young people in their "primes" move -> (ehm, "child producing, working-age) -> fewer individuals provide for more...

• Larger municipalities, urban areas, growing fast
  
  • Problems for both types, but...
  
  • here, focus on the small & shrinking municipalities
Sector has undergone comprehensive change in a rather short time:

- **Since 1974:**
  - Almost half of the municipalities have fewer inhabitants today compared to 40 years ago.
  - (DESPITE 1.6 million more people in Sweden!!!)
- **1978:** 58 municipalities had fewer than 10,000 inhabitants.
- **2015:** 78 had less than 10,000 inhabitants ->
  - 48 are under the “magic” 8,000...
  - (Compare principles 1962-1974)
Negative implications for small & shrinking municipalities

- Local business shut-down -> less freedom of choice (small businesses etc) - > less attractive to stay -> vicious circle
- Tougher for the municipal economy -> smaller tax-base -> less public services to choose from, too (i.e. schools, preschools)
- Difficult to provide welfare services in the whole geographical area -> public delivery of services centralised
- Difficulties to recruit specialists to public administration
- Fewer inhabitants -> tougher to recruit enough politicians
Yet another amalgamation reform on the agenda?

- Despite Nordregio-reports claim (”In ... Sweden, there is currently little discussion of restructuring at the municipal level”) – much debate past 10 years

  Minister LE Lövdén (2003), M Svegfors (2003), S Nyman (2010), minister A Shekarabis ”not no” in Dagens Samhälle (2014)

  FP’s bill (2012), KD-mp in Dagens Samhälle

  Stockholm’s ”mayor” in SvD (2015)

  Majority of ”mayors” think it is necessary, and to be expected
Just a quick (sobering?) reminder:

• Just 15-20 years ago – the public discourse – quite the opposite

• Visions and dreams of returning to small-scale democracy (see Mancou 1993)

• Not amalgamations – separations 1980-2000 (from 277 to 290 municipalities)

• See also then minister Inger Davidsson (1991), Åsa Torstensson (2000), *Demokratiutredningen* (2000)
Why calls for a new amalgamation reform?

Potential pro’s?

- Economies of scale
- Better equality between municipalities
- Stronger competence; more professionalism
- Less vulnerability
Amalgamation reform (contd)

Potential drawbacks (& thresholds)?

– **Democracy** probably affected negatively; plus, less sense of community (jfr Johansson, Nielsen, Dahlberg m.fl., Kjaer m.fl.)

– Hardly a "one size-fits all"-solution – different problems for different municipalities (geographically enormous municipalities in Jämtland, Norrbotten, Västerbotten)

– **High thresholds and/or political costs** – not a popular reform among grass-roots...
Therefore – a few alternatives proposed in the debate:

#1 Asymmetrical government?

• Potential pro’s
  - Responsibility is matched with size + competence
  - For the smallest, perhaps regions or the state, should manage for example secondary schools?

”Uppgifterna måste kunna anpassas efter uppgiftsmottagarens förutsättningar att handha uppgiften” (Statskontoret 2005)
#2 More inter-municipal cooperation?

- Most discussed alternative – potential pro’s

  - More effective use of limited resources: Economies of scale; division of labour; better competence/professionalism etc

More inter-municipal cooperation? (contd)

• Potential drawbacks...
  - Already much cooperation going on...
  
  - Few evaluations – we don´t know if they’re any good!

  - ”Elitization”? What about democracy and transparency? (t.ex. SOU 2007:10)
#3 ”Smarter local adaptation policy?”

- Problem:
  - Too much confidence among politicians in smaller municipalities to turn things around...
  - Difficulty admitting (or even realizing...) continuous decline in inhabitants

  Also: Tough to win elections on ”austerity programs”

- Clearly: a growth norm – ”everybody” plans for growth

  although prognoses say majority of municipalities will experience ”shrinking” in the future
Much could be done: ”Shrinking smart”

• Employ long-term strategies, not hand-to-mouth solutions
• Public debate & transparency ->
• -> increased probability for learning how to cope with inhabitant decline
• To ”accept things” could be the way to go for some municipalities
What’s to be expected the next 10-15 years?

Amalgamations in some cases

"Assymetrical government" to be expected for some (i.e. state or regions take over secondary school; planning etc.)

More realistic local adaption strategies; "shrinking smartly", could save some municipalities from 1 & 2
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