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Decentralization Drawbacks



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Results of the Project

Downsize My Democracy?

The Democratic Consequences of Decentralisation

April 2025

Hannah Kuhn, Denny van der Vlist, Wouter Veenendaal

Project overview

Over the past decades, virtually all European countries have decentralised tasks and competences from the national level to subnational levels of government. Advocates of these reforms claim that decentralisation enhances the power and control of the people, giving citizens greater influence on the decision-making process. But is this true? Due to a lack of research, we know surprisingly little about the democratic effects of shifting responsibilities from the national level to subnational levels of government.

The NWO-funded research project *Downsize My Democracy? The Democratic Consequences of Decentralisation (2021-2026)* examines the democratic effects of these decentralisations. The project is conducted by Hannah Kuhn, Denny van der Vlist, and Wouter Veenendaal, and focuses on four European countries: Italy, the Netherlands, Norway, and Switzerland. This paper offers an

overview of the project's main findings, which will be discussed during workshops organised in each of these four countries.

Decentralisation involves both a change in the scale of governance units, as well as a change in the relations between administrative tiers. This dual change is reflected in the project structure (see Figure 1). The first two subprojects examine scale effects, looking at the effects of population size on democratic participation (subproject 1) and democratic competition (subproject 2) in European municipalities. The third subproject focuses on the democratic consequences of the increasingly complex interactions between various levels of government.

Figure 1: Project structure

<i>Subproject 1</i> Political participation Hannah Kuhn	<i>Subproject 2</i> Political competition Denny van der Vlist	<i>Deelproject 3</i> Multilevel governance Wouter Veenendaal
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To most optimally study scale effects, in each of the four selected countries a comparison was made between a (very) large and a (very) small municipality (see Table 1). The project offers an in-depth analysis of local democracy in each of these municipalities, based on an opinion survey, elite interviews, a network analysis, and ethnographic shadowing.

Table 1: Selected municipalities

Italy	Netherlands
<i>Large municipality:</i> Catania (300.000) <i>Small municipality:</i> Sant’Alfio (1.500)	<i>Large municipality:</i> Leiden (125.000) <i>Small municipality:</i> Zoeterwoude (9.000)
Norway	Switzerland
<i>Large municipality:</i> Trondheim (213.000) <i>Small municipality:</i> Selbu (4.000)	<i>Large municipality:</i> Luzern (84.000) <i>Small municipality:</i> Ermensee (1.000)

Subproject 1: The effects of size on political participation

Hannah Kuhn

Advocates for decentralization argue that it would bring politics closer to the people, thereby fostering political participation and increasing citizens' influence on policy decisions. However, across European countries voter turnout in municipal elections is consistently lower than in national elections, reducing citizens' input on the policy fields that are decentralized. Furthermore, a small population size may also be assumed to create a different context for citizen participation. *Subproject 1* asks: how does population size influence citizen participation? This question is answered through ethnographic shadowing of interactions between citizens and local candidates and a large opinion survey in all eight municipalities.

In small settings, citizens and politicians share multiple overlapping social roles, fostering trust and accessibility. This close interaction improves communication between elections and reduces the sense of anonymity and detachment that citizens in large municipalities experience. Consequentially, in small municipalities, the candidates on party lists and citizens' personal connections to them play a more significant role in citizens' voting decisions. Voters in smaller com-

munities are more likely to have personal ties to the candidate they support and consider this connection a more important reason for their choice. They trust that candidates would act in their interest or be easily accessible. Most voters with these personal connections to politicians consider them useful for potentially sharing ideas or policy preferences if they ever feel the need to do so.

However, these connections can also create conflicts of interest and diminish substantive considerations when deciding whom to vote for. We find that voters in smaller municipalities place greater importance on their vote in exchange for personal advantages, such as support from the politician in cutting bureaucratic red tape and speeding up personal requests. Furthermore, we find that programmatic preferences play a lesser role for citizens in small municipalities compared to those in large ones. In smaller municipalities, voters perceive less distinction between the programs of competing parties, making party programs less influential in their voting decisions.

In conclusion, *Subproject 1* finds that a municipality's population size strongly influences citizens' voting considerations and relationships with politicians. These findings add new dimensions to the debate on decentralization that policymakers must carefully weigh. On one hand, small communities benefit from stronger personal connections, which can encourage citizen participation. On the other hand, these personal connections can also serve individual interests rather than promoting well-targeted universal policies. Additionally, programmatic considerations play a lesser role in voting decisions in small municipalities. As a result, while decentralization may bring politics closer to the people, it does not necessarily lead to deeper engagement with policy issues.

Table 2: Average importance of the party program, personal relationships with candidates and clientelistic exchange on a scale from 1 (not important) to 5 (very important)

	Large municipalities	Small municipalities
Party program	4.030	3.705
Personal relationships with candidate	2.342	2.862
Clientelistic exchange	2.076	2.253

Subproject 2: How size affects political competition

Denny van der Vlist

Political competition is essential for a well-functioning democracy. Competition provides voters with crucial alternatives, offering a way – by voting for one option over the other – to hold politicians accountable and motivated to be responsive. Whether and how size influences competition is, however, still largely unknown, meaning that we do not know how decentralization affects this democratic dimension. The second subproject addresses this question through extensive fieldwork consisting of 115 elite interviews, a content analysis of political programs, and a social network analysis across the eight municipalities.

We know that political competition performs optimally when: 1) many challengers compete in truly competitive elections, 2) competing parties and politicians offer distinct options, and 3) power concentration is minimal. Our findings reveal that size affects all three dimensions:

1) Smaller municipalities experience a lower degree of competition. There are fewer competitors, less closely contested elections, and a lower degree of intra-party competition compared to larger municipalities. These differences stem from a greater

heterogeneity of interests in larger municipalities, while the insufficient critical mass for organizing opposition and the social costs of voicing dissent in tight-knit social networks further quell competition in smaller municipalities.

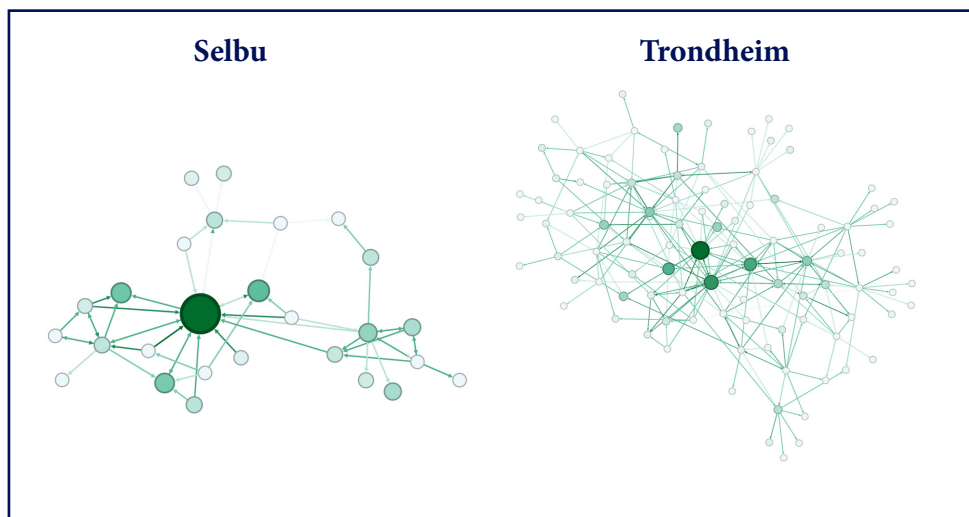
2) Smaller municipalities also experience a distinct character of competition. There are fewer and sometimes even no substantive differences between competing parties, offering voters more limited options compared to larger municipalities. This effect is attributed to a greater homogeneity of interests but also higher costs of voicing dissent in smaller municipalities, indicating a potential suppression of substantive conflict. Instead, smaller municipalities resort to more personalistic types of competition, in which conflict is foremost based on personalities, identities and capabilities. Such personal conflicts may trigger deep societal polarization, as observed in some of the cases.

3) Size also affects power concentration. While citizens of small municipalities have greater opportunities to shape the political agenda than in larger municipalities, decision-making itself is mostly dominated by leaders who effectively embody the local administration. In contrast, in larger municipalities access to the political agenda is restricted to a specific, well-connected or

informed group, while decisional power is more dispersed across various (institutional) veto-players. In this respect, size offers a trade-off, in which most smaller municipalities experience significant degrees of decisional power concentration.

In sum, these findings indicate that competition in a small-scale democracy is limited, directly narrowing voters' alternative options and potentially undermining democratic accountability and responsiveness. While most discussions of small-scale democracy have neglected effects on competition, this subproject demonstrates that precisely on this democratic dimension, the beneficial effects of small-scale democracy and decentralization do not materialize.

Figure 2: Social network analyses of decision-making in Selbu and Trondheim. Actor influence is proportional to node size and colour intensity.



Subproject 3: The democratic consequences of multilevel governance

Wouter Veenendaal

By shifting tasks and competences from the national level to subnational administrations, decentralisation creates complex patterns of multilevel governance, making a variety of administrations responsible for the execution of public tasks. The third subproject asks how these intergovernmental relations influence democratic accountability, representation, and transparency. In each country, between 15 and 20 interviews were conducted with politicians and bureaucrats working for the various administrative tiers. This was complemented by a content analysis of relevant secondary literature, documents, and policy texts.

The four selected countries have markedly different decentralisation experiences, resulting in great diversity in multilevel governance patterns. In Italy, many tasks have been decentralised to the regional level since the 1990s, while decentralisations in the Netherlands primarily targeted the municipalities. In Norway and Switzerland, municipalities have long been autonomous, but in the Norwegian unitary state the counties (*fylker*) are relatively weak, while the Swiss federal system operates on the basis of autonomous and powerful cantons.

These differences affect the democratic performance of multilevel governance. In Italy and the Netherlands, decentralisations were accompanied by profound budget cuts, which strongly undermined the capacity of subnational administrations to carry out decentralised tasks. In response, both countries have experienced a strengthening of unelected administrations (intermunicipal platforms and metropolitan cities). The rise of these administrations, the lack of clarity about their responsibilities, and the tendency towards blame-shifting between tiers have significantly weakened democratic accountability, representation, and transparency. In terms of democracy, decentralisation has therefore resulted in the complete opposite of what was hoped for.

This is different in Norway and Switzerland, where municipalities have always been more autonomous, creating greater clarity about their responsibilities. Furthermore, even small Norwegian and Swiss municipalities generally have sufficient funds to carry out their tasks; finding skilful personnel is a greater challenge. In Switzerland, the comparatively small municipalities are struggling with ever-increasing complexity and are increasingly unable to manage their tasks alone. This is increasingly leading to discussions about municipal mergers or

inter-municipal cooperation. The trend toward inter-municipal cooperation in Norway and Switzerland poses the same risks to democratic accountability as in the Netherlands.

In sum, the results of subproject 3 demonstrate that the democratic nature of multilevel governance is strongly determined by three factors: 1) the extent to which subnational tiers have the capacity (in terms of budget and personnel) to carry out decentralised tasks; 2) the extent to which the division of competences and tasks across administrative units is clear; and 3) the extent to which political decision-making is transferred to non-electoral arenas and bodies.

Interview politician in Selbu: *“I think that in response to the growing complexity of tasks, we will have to work together more with other municipalities – it is inevitable. But it does mean that politics will be moved further away from the people of Selbu and also our municipal councilors. More things will be decided in Stjørdal rather than here in Selbu.”*



Conclusions

Decentralization reforms across European countries are motivated by a set of powerful assumptions. Most notably, advocates believe that bringing politics closer to the people strengthens democratic participation, representation, and accountability. In combination, the findings of our three subprojects provide a strong challenge to this claim, casting profound doubts on the democratic legitimacy and desirability of decentralization reforms.

A first argument we challenge is that decentralization fosters political participation, thereby supposedly increasing citizens' opportunities to influence political decision-making. Earlier research has shown that voter turnout at subnational levels is much lower than at the national level, meaning that decentralizing tasks effectively reduces the democratic input from citizens on these tasks. Moreover, subproject 1 shows that participation in small local communities is not driven by programmatic considerations, but by personal connections between citizens and candidates. While these connections foster trust and accessibility, they can also create conflicts of interests. Most importantly, they limit citizens' engagement with substantive policy issues. Shifting tasks to smaller units therefore reduces rather than strengthens the input from citizens on policy decisions.

Decentralization not only affects the dimension of democratic participation, but also that of democratic competition, which has received much less attention from both scholars and policymakers. Subproject 2 finds that organizing politics on a smaller scale likely reduces the degree of competition, as measured by the number of competitors and the closeness of election results. In addition, and in line with subproject 1, competition in smaller communities is less likely to revolve around substantive political issues, and more likely to focus on personalities and personal differences. Finally, subproject 2 finds that small communities experience a higher degree of power concentration in their decision-making. In sum, to decentralize tasks effectively means to transfer tasks to a less competitive setting in which politics is more likely to be dominated by one or a handful of players.

Finally, decentralization makes a greater number of administrations responsible for the execution of public tasks. This not only poses a cognitive burden on citizens, but also generates questions about democratic accountability, responsibility, and transparency. Subproject 3 finds that the multilevel governance structures created by decentralization run the risk of undermining democratic accountability, especially when tasks are not clearly allocated and decentralization is not accompanied

by sufficient resources. Under these circumstances, decentralization may result in a transfer of tasks to unelected and unaccountable arenas and institutions, which may strongly weaken the degree and quality of subnational democracy.

If virtually all European states are decentralizing tasks from the national to subnational levels of government, the democratic legitimation of these reforms is crucially important. We believe that our findings cast significant doubts on the claim that decentralization enhances democracy, and should force policymakers to reconsider the desirability of decentralization reforms. Especially in this era of democratic erosion, the democratic consequences of decentralization reforms must be very seriously considered.



