Is 'Competitive' Corporatism an Adequate Response to Globalisation? Evidence from the Low Countries

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The Dutch practice of negotiated wage restraint and welfare state reform is often held up as a model for effective labour market adjustment. This article examines the distribution of adjustment costs under the Dutch model to determine whether it is stable in the long run – both directly and by analogy with the situation in Belgium. The conclusion is that while the Dutch have succeeded in effecting a remarkable adjustment in the distribution of value-added, the costs of this adjustment have been skewed against increasingly large sections of society. Should these groups outside the distributional coalition find representation at the national level, the Dutch model for negotiated wage restraint and welfare state reform is likely to revert to political alternation and tit-for-tat economic competition.

The world economy is playing havoc with the welfare state. Once settled, national systems for full employment and income redistribution have collided with volatile, globalised markets for goods and capital. The result has been an increasing need for more flexible labour markets and for more austere systems of redistribution, two developments that few workers are eager to achieve and few politicians (particularly from the centre left) are happy to enforce. Meeting the dual challenge of increasing labour market flexibility while reforming the welfare state has not been easy. Too often efforts have foundered into a widening 'gap ... between the governance system of labour markets ... and ground level economic, social and commercial developments'.[1] Within this gap, the 'new politics of the welfare state' is strongly resistant to change – it is an 'immovable object' confronting an 'irresistible force'.[2]

However, the recalcitrance of welfare state supporters need not always rule the day. It is imaginable that both politicians and trade unions could be reasonable when faced with the inevitability of change. Working together with employers, such political and labour leaders could negotiate a new social contract around consensual labour market and welfare state reform.

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Indeed, the recent proliferation of trilateral bargains and social pacts in Europe suggests that a new form of corporatism has already emerged in some countries to fill the governance gap and to bring flexibility to both labour markets and the welfare state. This new 'competitive' corporatism marries an us-against-the-world mentality to the process of welfare state reform to turn the logic of the early post-war economic settlement, and John Gerard Ruggie's embedded liberalism, on its head.[3] Rather than liberalising the world economy only within constraints set by domestic corporatist arrangements and welfare state institutions, the modern day imperative is to draw upon corporatist arrangements to restructure the welfare state within parameters set by the world economy.

The Netherlands is the principal example of this new competitive corporatism. For many, consensual negotiations between government, industry and labour have been the key to recent Dutch successes in responding to global pressures. As a result, not only have the Dutch succeeded in creating jobs, they have also begun to rein in the welfare state. To illustrate this claim they use a powerful metaphor for collective action against global forces, the 'polder' model: Once the Dutch worked together to wrest land, called polders, from the sea; now they co-operate to carve out a place for the Netherlands in the globalised world economy.

But is 'competitive' corporatism really an adequate response to globalisation? Certainly the Dutch have achieved remarkable economic success over the past 15 years. Policy measures introduced in 1982 and again in 1994 have halved unemployment rates from a high of near 11 per cent to under 6 per cent of the active labour force, even as both the working age population and the participation rate increased. Meanwhile, successive governments have underwritten a tight exchange rate link to the Deutschmark with average annual price inflation rates well below 3 per cent, thus eliminating risk premia on Dutch lending and bringing interest rates to a par with those in Germany. Finally, the government has engaged both industry and labour in a massive overhaul of the Dutch economy, moderating wage claims, trimming benefits, rewriting regulations, and encouraging investment in order to generate greater opportunities as well as the flexibility to meet them.

Nevertheless, the evidence from the Low Countries is not altogether convincing. According to researchers at the IMF and Dutch Economics Minister Hans Wijers, the Netherlands is a success story (albeit with important qualifications) and yet the basis of this success is economic orthodoxy and not the polder model *per se*.[4] Far from being an adequate response to changes in the global economy, competitive corporatism is at best irrelevant (IMF), and at worst undemocratic (Wijers). In other words, there may be lessons to learn from recent Dutch experience, but these do not derive from trilateral bargaining between peak representatives of government, industry and labour.

Moreover, the debate over the contribution of competitive corporatism is not the only challenge to the Dutch model. The correct interpretation of Dutch macroeconomic data is also hotly contested. Proponents of the Netherlands as a model, including the *Financial Times* columnist Samuel Brittan and university lecturer Anton Hemerijck, point to high levels of job creation and low levels of unemployment.[5] Detractors from the Dutch success story, such as McKinsey consultant Alexander van Wassenaer, focus greater attention on early retirement and worker disability schemes which continue to hide more than 10 per cent of the labour force from unemployment rolls.[6] Meanwhile both sides acknowledge that part-time work accounts for a huge share of the jobs created. Two in three women and one in eight men work part time. Proponents suggest that this arrangement accords with popular aspirations and corporate necessity. Detractors assume a less sanguine outlook.

The interpretation of economic indicators is as controversial for income as for employment. According to the OECD, the dispersion of individual earnings across full-time workers is *lower* in the Netherlands than in Sweden, Germany, Canada or the United States.[7] A low level of income dispersion accords well with the notion of solidarity explicit in the polder model. However, exclusive focus on full-time workers tells only part of the story. The dispersion of individual earnings across the working age population, which also includes part-time workers, the unemployed, the worker-disabled, and so forth, is *higher* than in any of the other four countries.[8] This second indicator for income dispersion supports a significantly less *solidaire* interpretation of the polder model.

In light of this controversy, the purpose of this essay is twofold: to disentangle the role of competitive corporatism in explaining present conditions in the Netherlands; and to evaluate how effective competitive corporatism is (and is likely to be) whether in the Netherlands or elsewhere. My argument is that competitive corporatism, or more simply trilateral bargaining over wage moderation and welfare state reforms, was implemented by a particular distributional coalition in the Netherlands after 1982. Correspondingly, the extent and pattern of job creation reflects the structure of this distributional coalition, and not trilateral bargaining *per se*. Moreover, the interests of the distributional coalition tend to work against the long-run stability of the corporatist (or tri-lateral bargaining) system. The coalition can succeed in sheltering itself from the costs of adjustment to global market forces only at the risk of undermining the perceived legitimacy of the bargaining process or of the peak representatives. Seen this way, competitive corporatism is better understood as a mechanism to facilitate adjustment rather than as a solution in its own right.

This argument is developed in five stages. The first establishes the foundation myth behind the polder model. The second challenges this foundation myth by analogy with the Belgian case. The third reconsiders the statistical anomalies on all sides of the debate. The fourth section recasts the development of the polder model along distributional lines. The fifth section concludes with the prospect that distributional conflict may soon shatter the foundation myth and bring down the process of competitive corporatism along with it.

THE FOUNDATION MYTH: FROM WASSENAAR TO THE POLDERS

The conventional explanation for recent Dutch successes starts in the crisis months of 1982.[9] Unemployment was rising sharply, industries were going bankrupt, government accounts were veering deeply into the red, and all attempts to form a consensus policy on the centre-left had failed. Minister President (Prime Minister) Dries Van Agt, the popular leader of the Christian Democratic Appeal (CDA), came into conflict with his major coalition partners (particularly Party of Labour (PvdA) chairman Joop Den Uyl) and was forced to call an election. The result was a swing of votes from the left-liberal D'66 to the right-liberal VVD which created the opening for a coalition that would exclude the PvdA. Van Agt withdrew suddenly from public life, and left the parliamentary faction leader of the CDA, Ruud Lubbers, to form the government. For readers familiar with the nuances of Dutch politics, this welter of coalition reshuffling yields up three important features: the splintering of elite consensus on the centre-left, the marginal shift of popular support toward the centre-right, and the change-over from the consensual leadership of Van Agt to the more decisive 'managerial style' of Lubbers.

The next act in the creation story revolves around the coalition agreement forged by Ruud Lubbers between the CDA and the right-liberal VVD. In the original draft of the document, Lubbers inserted a clause stating that the government would intervene directly in the wage bargaining process should the social partners (meaning representatives of labour and industry) fail to work out a meaningful programme for wage moderation at the national level. As the document was being printed, but before it was presented to parliament, the head of the largest trade union confederation (FNV leader Wim Kok) and his counterpart in the largest employers' association (VNO leader Chris van Veen) began heated negotiations to head off the threat of direct government involvement in wage bargaining. Negotiations between Kok and Van Veen started in the traditional theatre for Dutch corporatism, the Social and Economic Council (SER). However, these negotiations moved from the SER to culminate at Van Veen's house in the suburban village of Wassenaar. Kok and Van Veen then briefed Lubbers that they had been able to reach a deal, and so the Minister President agreed to change his programme statement to exclude the threat of direct government involvement in wage bargaining.

Once again, the flurry of activity reveals important symbolism for those initiated into the arcana of Dutch political life. The act of writing government intervention in wage bargaining into the coalition agreement would have been a sharp break with the consensual ethos of social partnership and would have dealt a severe blow to the national trade union confederation as a peak representative of labour interests. Therefore the urgency for the trade union leadership to find some basis for co-operation was much greater than for the employers. The fact that the agreement was forged in (and named after) the upper-middle-class suburb of Wassenaar, rather than in the SER, is symbolic of the employers association's strength in the negotiating process. Finally, Lubbers's decision to elide the offending clause from his coalition agreement in light of the Wassenaar accords gave political recognition to the skewed balance of power between labour and employers.

The content of the Wassenaar accords reflects the strength of employer over labour interests. The trade unions made two important and immediate concessions: to moderate wage claims, and to accept sectoral rather than national wage bargains. Meanwhile, the employers agreed to invest in job creation over the medium to long term. This is hardly an even exchange, if only because one side is such much easier to enforce than the other. How much is asked for in a wage bargain is immediately obvious, as is the scope of the agreement. Determining whether corporate investments will result in job creation requires the skills of a sophisticated econometrician – and even then can be the subject of disagreement among reasonable people.

Nevertheless, by signing up to the Wassenaar accords, the trade unions retained their role as national representatives of labour interests. Thus while they may have conceded important aspects of wage bargaining, they retained considerable influence in other areas of policy-making and particularly welfare state reforms.[10] Moreover, the government promised to soften the blow of wage moderation on workers by absorbing a share of the payroll taxation and social charges that form the gap between what employers pay out in labour costs and what workers receive as income. In this sense, while it is true that the balance of power between labour and employers was skewed, the agreements were not wholly one-sided, and neither was the process through which agreement was reached.

The rest of the story is denouement. The representatives of labour, industry and government continued to negotiate over wage moderation and welfare state reforms over much of the next 16 years. There were points of conflict to be sure, such as when the government began to cut back on public sector employment in 1983. Nevertheless, the general ethos was one of negotiated compromise if not consensus. Lubbers's centre-right cabinet was re-elected in 1986 and his Christian Democrats even managed to pick up votes from their right-liberal coalition partners. Unemployment declined and the government made progress on the consolidation of fiscal accounts. New elections were held in 1989, and Lubbers dropped his right-liberal coalition partners in favour of a union with the Party of Labour, then under the leadership of the one-time trade union head Wim Kok. Together, Lubbers and Kok began the arduous task of restructuring benefits paid out under generous social welfare schemes. Meanwhile, the economy slipped into trouble as part of a general economic recession in Europe.

In political terms, the story becomes very interesting in the mid-1990s. Elections were held in 1994 and Lubbers's Christian Democrats suffered a dramatic setback at the polls. PvdA leader Kok assumed control of the Minister Presidency and formed a coalition with both the right-liberal VVD and the left-liberal D'66 excluding the Christian Democrats from the government for the first time since the First World War. Nevertheless, little changed for the polder model as a process of trilateral bargaining over wage moderation or welfare state reform. Soon after the formation of the new government, a German economist, Alfred Kleinknecht, suggested that too much wage moderation might be a bad thing for innovation. His arguments were criticised with equal enthusiasm by representatives of labour as well as industry and government.[11]

The social partners celebrated the 15th anniversary of the Wassenaar accords with an agreement to continue wage moderation (and, by implication, trilateral negotiations over other policy measures) well into the next century.[12] When asked to comment on this latest agreement, former Minister President Lubbers suggested that it was, using the English term, very gratifying to see that the essence of his policy programme was being followed even while his Christian Democrats were in opposition.[13] The specific content of agreements may change, but the process, as a model, remains the same.

THOSE WHO PASSED THIS WAY BEFORE

The foundation myth underwriting the polder model is simply too neat and too efficient. By the same token, the policy continuity from the centre-right cabinets of the early 1980s through the centre-left cabinets of the late 1980s and early 1990s and into the left-right (but not centre) cabinets of the mid-1990s seems unnatural. If an economic adjustment is being made, then someone must be paying the bill. Moreover, it is difficult to believe that 'someone' will remain satisfied with their share of the cake indefinitely. This suspicion forces us to re-examine the debate over the polder model with an eye to unpicking the distributional consequences of negotiated wage moderation and welfare state reform. Reaction against the distributional costs of the adjustment programme would explain the change in coalition partners. However, it would call the notion of policy continuity into question. For Dutch policy to remain consistent across the past 16 years, the distributional coalition would have to remain the same even as the political coalition changed.

To illustrate the importance of distributional coalitions to the process of economic adjustment, it is useful to consider the case of Belgium. In many ways, Belgium and the Netherlands are much alike. Both were once pillarised, consociational democracies; both are now engaged in a process of depillarisation and increasing pluralism in political life; and both have relied heavily on corporatist negotiations between representatives of industry, labour and government for macroeconomic policy making and welfare state reform. However, because of the country's important linguistic division, politics in Belgium polarises much more easily around distributional issues than politics in the Netherlands. Thus while the current model for Belgian policy-making antedates the polder model, the impressive feature of Belgian performance is not so much that they continue to do things the same way, but rather that the country as a whole continues to exist.

The Belgian programme for economic adjustment started in December 1981 with the formation of a centre-right government under Christian Democrat Wilfried Martens. In many respects, Martens' adjustment strategy foreshadowed the policies adopted in the Netherlands one year later. Martens met with business and trade union leaders to inform them that he would be asking for enabling legislation in support of wide-ranging decree powers over economic issues and specifically wage bargaining. Subsequently, Martens began negotiations with the leader of the largest trade union confederation (Jef Houthuys of the Flemish Christian Democratic ACV) in order to devise and implement a coherent programme for wage moderation and welfare state reform. These negotiations resulted in a series of agreements during the early to mid-1980s, and with substantial effects on both the labour share of value added and the balance on government accounts.[14]

In the 1985 elections, Martens' Christian Democrats picked up votes from their right-Liberal coalitions partners, and by the late 1980s Martens shifted from the centre-right to the centre-left. Although he succeeded in making the transition from centre-right to centre-left, Martens (like

Lubbers) was unable to retain control over the centre and in the early 1990s Martens was replaced as leader of the centre-left coalition by his one-time *chef de cabinet* Jean-Luc Dehaene. Just as in the Netherlands, the general policy of wage moderation and welfare state reform continued unabated throughout the 1990s.

The chronological similarities between developments in Belgium and the Netherlands are striking. Nevertheless, there are three differences between the Belgian case and the polder model – two superficial, and one important. To begin with, the fact that the Martens government was negotiating over the direction of macroeconomic policy was a closely guarded secret. The crucial meetings were held not in a famous suburb of the capital city nor in the offices of government, but rather in an anonymous country village, the Poupehan.

As a result of this secrecy, the government played a much more visible role in enforcing wage moderation in Belgium than in the Netherlands, and often passed welfare state reform measures by decree rather than through a free vote of parliament. In other words, where Lubbers appeared to retract his threat of direct government intervention by changing the coalition agreement and government programme, Martens proceeded with broad-reaching enabling legislation. The principal of government-enforced wage moderation was written into Belgian law in 1989 as part of a legislative package to ensure industrial 'competitiveness' and continues to serve as a touchstone for national economic policy. According to the competitiveness law, the government must consult with industry and labour in determining whether action to change wages or tax rates is necessary. However, it is the government, and not representatives of industry or labour, that holds the final say.[15]

The foundation myth of the polder model emphasises negotiated consensus, but the Belgian strategy suggests the threat of force. With hindsight and now that the fact that negotiations took place is well known, the symbolism of the Poupehan agreement is every bit as much reviled in Belgium as the Wassenaer accords are celebrated in the Netherlands. Secrecy carries a high price in terms of institutional legacy. Where the Dutch look back on a record of negotiation and compromise, the Belgians see a history of conspiracy and co-option.

The second superficial difference between the Belgian strategy and the polder model is that peak representatives of industry did not play a major role in the negotiating process. Rather, a banker allied with the Flemish Catholic Labour movement (Hubert Detremmerie) represented business interests indirectly in conversations between the representatives of labour (meaning Houthuys) and the government (meaning Martens). Thus while trilateral bargaining between industry, labour, and government over policy reforms took place at a myriad other levels, negotiations involved only government and labour at the highest level.[16]

The explanation for both superficial differences between the Belgian and Dutch cases, the secrecy and the predominant role of organised labour, is straightforward: from the outset, Martens and his advisers knew that the costs of economic adjustment would be considerable, that these costs would be greater for some parts of society than for others, and that the process of adjustment would involve a massive transfer from labour to industry. If the government negotiated openly over the direction of macroeconomic policy, such negotiations would serve as a focal point for mobilisation and lobbying along distributional lines. Secrecy allowed Martens to select his negotiating partners without either pre-emptive opposition or the intervention of unwelcome parties.[17]

At the same time, the success of the adjustment strategy depended upon Martens' ability to head off the opposition of organised labour. Business was in such a weak economic situation that its bargaining position was both transparent and unassailable. Profits had to be restored for the economy to recover, and the money had to come either from government coffers or from the wages paid out to labour.

Nevertheless, such differences are superficial in the sense that both the Belgian strategy and the polder model rely heavily on bargaining between functional interests to move macroeconomic policy and welfare state reforms in much the same direction. The principal difference between the Dutch and Belgian strategies, therefore, is that the Belgians lacked institutions for internalising the intermediation between different sectoral, regional and social groups at the national level. In the Netherlands, Lubbers was able to negotiate with national political parties at the cabinet level, and national trade union and employers' representatives outside the cabinet. Although Dutch political life was already experiencing the advanced stages of depillarisation (or the breakdown of sub-national political communities) in the early 1980s, it is still possible to imagine that the national Christian Democrats could internalise the intermediation between diverse regional and social interests.[18]

More important, there is substantial reason to believe that Kok's national trade union confederation was able to intermediate between diverse labour interests and that Van Veen's employers association played a similar role on the management side. Thus while national macroeconomic policy served a particular distributional coalition (a point I will get back to later), the competition between coalition insiders and outsiders took place at a functional, subnational level.

Martens was hardly so lucky in Belgium. Rather than being able to rely on either political parties or functional groups to intermediate between diverse interests, he was confronted with a situation where nearly every major economic interest had a separate national representative. Already by the early 1980s, Belgian political life had reorientated from a political organisation based on ideologically determined subnational political communities to one centred along reinforcing cleavages: linguistic, regional, sectoral and functional. Therefore his decision to negotiate principally with representatives of the Christian Democratic labour movement skewed the outcomes to favour the Flemish-speaking, newly industrialised north of the country at the expense of the more mature industrial regions (and their Socialist labour representatives) in the south. The results can be seen in Table 1, which charts the evolution of GDP per capita, activity rates, unemployment and manufacturing employment across the different regions from 1983 to 1992. In rough terms, the Belgian distributional coalition includes the Flemish manufacturing sector, the Flemish workforce as a whole, and the Brussels service sector (where relative per capita income has remained constant despite a decline in activity rates and manufacturing income in addition to a rise in unemployment). It excludes (again, only roughly) all points south.

Clearly such a distributional coalition is unsustainable in the long run. Therefore, it is hardly surprising that the period of centre-right rule in Belgium coincides with a time of escalating north–south tension. This tension exploded in 1987 as a result of Walloon Socialist attempts to reclaim resources from the north coupled with a right-liberal move to capture the leadership of the distributional coalition from the Christian Democrats.[20] The shift from centre-right to centre-left in Belgium represents an uneasy attempt to include Walloon Socialist interests in the distributional coalition, both in order to stabilise north-south relations and in order to head-off a right-liberal radicalisation of the Flemish electorate. However, the fit is not good. The mature industries in Wallonia benefit little from negotiated wage moderation if only because the scale of required investment is too extensive and the resort to labour rationalisation runs against the interests of the French-speaking Socialist Party. Moreover, as the results of continued poor economic performance mount, the growing dependence of the southern population on national welfare institutions complicates the process of welfare state reform even as it re-ignites tensions between north and south.

The Belgian model for economic adjustment cannot lay claim to the accolades awarded to the polder model. Nevertheless, there have been no viable alternatives for politicians interested in maintaining a unitary Belgium. In 1993, less than two years after news of the Poupehan negotiations was leaked to the press, the government called on the trade unions for another round of wage moderation. The Christian Democratic labour movement, humiliated by accusations of having sold out labour

TABLE 1
REGIONAL ECONOMIC DEVELOPMENTS IN BELGIUM, 1983–92

Region	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992
Index of GDP per capita (national average = 100)										
Flanders	99	100	100	100	101	101	101	101	101	102
Wallonia	84	83	82	82	81	81	81	81	81	80
Brussels	157	157	157	158	158	156	157	158	158	158
Activity Rate (per cent working-age population)										
Flanders	50.7	50.0	50.3	50.4	49.6	48.9	48.9	48.6	49.5	50.9
Wallonia	47.4	47.8	4.07	47.0	46.6	46.8	46.4	46.4	47.2	48.0
Brussels	51.9	46.2	49.1	46.7	46.2	45.1	44.5	45.3	47.3	47.9
Unemployment Rate (per cent active labour force)										
Flanders	11.3	11.2	10.1	9.5	9.2	8.2	6.3	5.3	5.0	5.6
Wallonia	12.5	13.0	13.2	13.6	14.0	13.1	11.4	10.4	10.0	10.8
Brussels	13.1	12.7	12.6	14.2	12.0	12.1	10.6	9.3	9.0	10.2
Total Manufacturing Employment (thousands)										
Flanders	744.3	735.2	725.3	740.9	732.5	735.9	773.2	753.2	747.3	787.2
Wallonia	328.2	322.4	315.8	310.4	295.7	294.2	287.5	301.5	319.4	315.1
Brussels	71.1	70.5	77.7	75.4	69.6	62.3	66.1	58.0	68.0	61.2

Source: Eurostat CD, Autumn 1994.

interests in the 1980s, launched an impressive series of protests. Support from the Socialist trade unions was only half-hearted. A refusal to moderate wage claims could only lead to increased unemployment in the face of already loose labour market conditions. The Christian Democratic ACV relented and accepted the logic that moderation was the only possible course.

Meanwhile, functional interest groups and political parties are reorganising explicitly at the regional level. Such actions can only sharpen the distributional polarisation of Belgian political life and therefore call into question the continued viability of the unitary state. Nevertheless, such reorganisation is a logical outcome of the adjustment policies pursued by Martens and continued by Dehaene. For Walloons, the incentive to organise is to increase participation in the Flemish-dominated coalition. For the Flemish, the incentive is to cut the Walloon Socialists out altogether. The Belgian adjustment strategy, it would seem, contains an inadvertent obsolescence.

DAMNED STATISTICIANS

The Belgian version of events is at the same time more troubling and more satisfying than the foundation myth behind the polder model. It is more troubling because it suggests that the mechanisms used to foster economic adaptation have only delayed and not eliminated conflict over the distribution of adjustment costs. Nevertheless, it is more satisfying because it holds more of the texture of the real world: How can such an important adjustment in the distribution of value-added take place without imposing large costs, and how can such costs be so easily accepted without generating political opposition?

The first step in answering these twin questions is to demonstrate that the polder model has coincided with considerable changes in the Dutch economy. This can be seen most easily in Table 2, which charts the evolution of four different variables from 1983 to 1998: the wage-share of the total economy; the relative size of the working-age population; the participation rate (meaning the percentage of the working-age population participating in the labour force); and the primary balance on government accounts (meaning the balance of government income and expenditures net of interest payments). For comparison, the table also contains data for Belgium and for the European Union as a whole.

The data in Table 2 provide a good indication of what is happening in the economy, although without really revealing why things happen as they do. The objective is simply to get a sense of the relative magnitudes involved. For example, the data for wage share reveal that there was a

TABLE 2
FOUR MEASURES OF ECONOMIC CHANGE

Country	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998
Wage Share in the Total Economy (per cent GDP at factor cost)																
Netherlands	69.3	66.5	65.4	66.5	68.1	67.4	65.2	64.8	65.3	66.4	67.0	65.2	65.5	65.3	64.9	64.9
Belgium	75.2	74.3	73.1	72.6	71.9	70.0	68.2	69.5	71.3	71.7	72.3	71.7	71.1	70.5	70.1	69.5
European Union	74.7	73.6	73.0	72.1	72.1	71.5	70.9	71.4	71.8	71.9	71.5	70.1	69.5	69.0	68.6	68.3
Relative Size of the Working-Age Population (Index, 1983=100)																
Netherlands	100	101	102	103	104	105	106	106	107	108	108	109	109	109	109	110
Belgium	100	101	101	101	101	101	101	101	101	101	102	102	102	102	102	102
European Union*	100	101	101	102	102	103	103	104	109	110	110	110	111	111	111	112
Participation Rates (Civilian Labour force as per cent working-age population)																
Netherlands	62	61	61	62	63	64	64	65	66	66	67	67	68	69	69	69
Belgium	60	59	59	59	59	59	59	60	60	60	61	61	61	61	61	61
European Union	64	65	65	65	65	66	66	66	67	66	66	66	66	66	66	66
Primary Balance on Government Accounts (Per cent GDP)																
Netherlands	0.0	0.6	2.7	1.3	0.5	1.7	1.2	0.9	3.3	2.4	3.0	2.1	2.0	3.3	3.9	3.3
Belgium	–2.2	0.4	1.7	1.8	2.9	3.2	4.0	5.0	3.8	3.8	3.6	5.1	5.1	5.3	5.8	6.0
European Union	–0.5	–0.0	0.4	0.7	1.1	na	na	1.2	0.6	0.2	–0.6	–0.2	0.4	1.2	2.6	2.7

* The EU workforce increased sharply in size between 1990 and 1991 as a result of German unification.

Source: European Commission, AMECO database, March 1998.

substantial transfer of resources from labour to industry, equal to about 4 per cent of GDP from peak to trough. However the situation in the Netherlands is not substantially different from that in Belgium, and is marginally less important in size than the more secular developments across Europe as a whole. Where the Dutch case stands out is in the simultaneous increases in the working-age population and in the participation rate. (The Europe-wide data for the working-age population is somewhat distorted by German unification, which accounts for the five percentage-point increase between 1990 and 1991.) Finally, the record for primary balances places the Netherlands somewhere between the Belgian case and Europe as a whole, with a significant but undramatic increase in receipts over outlays net of interests payments.

The redistribution of income from labour to capital, the rise in the working-age population, the participation rate, and the primary balance on fiscal accounts all indicate that major adjustments took place in the Netherlands, and particularly in the Dutch labour market. According to the foundation myth of the polder model, the link between these different developments is as follows: wage moderation shifted income from labour to capital; the rise in profits was invested in job creation to accommodate both the increase in the working population and the rise in the participation rate; meanwhile government accounts were tightened gradually but consistently. The result was an increase in employment sufficient to bring down unemployment despite the growth in the working-age population or in the participation rate. The proviso is that job creation was stronger in the service sector than in manufacturing, and that many of the jobs created were only part-time. Data in support of this story are presented in Table 3, which provides the development of unemployment rates, total employment, service sector and manufacturing employment from 1983 to 1998.

Even accepting the provisos, Dutch achievements in terms of job creation represent an impressive adjustment, particularly during a period of gradual fiscal consolidation. Nevertheless, this adjustment was not without cost and that cost was not evenly distributed. Some parts of Dutch society were made worse off, and others better off, during the adjustment process. The OECD reports that from 1977 to 1994 the average inequality in the distribution of aggregate disposable income (meaning income after all taxes and transfers) increased in the Netherlands by anywhere between 12 and 25 per cent depending on the measure.[21] Thus while the average level of inequality remains low by international standards, it is clear that the distribution has widened and that some people have been made better off relative to others.

Given that income disparity has increased, it is relevant to ask who has benefited and who has suffered. Part of the answer is given in the data

TABLE 3
LABOUR MARKET ADJUSTMENTS AND JOB CREATION

Country	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998
Unemployment Rates (per cent of labour force)																
Netherlands	9.7	9.3	8.3	8.3	8.0	7.5	6.9	6.2	5.8	5.6	6.6	7.1	6.9	6.3	5.3	4.4
Belgium	11.1	11.1	10.3	10.3	10.0	8.9	7.5	6.7	6.6	7.3	8.9	10.0	9.9	9.8	9.5	8.5
European Union	9.1	9.7	10.0	9.9	9.7	9.1	8.3	7.7	8.2	9.3	10.7	11.2	10.8	10.9	10.7	10.2
Level of Total Employment (Index, 1983=100)																
Netherlands	100	101	103	105	107	110	112	115	118	120	120	121	123	125	128	131
Belgium	100	100	100	101	102	103	105	106	107	106	105	105	106	106	106	108
European Union*	100	100	101	102	103	105	107	108	114	113	110	110	111	111	112	113
Level of Service-Sector Employment (Index, 1983=100)																
Netherlands	100	101	103	106	108	110	113	116	118	120	121	122	125	128	na	na
Belgium	100	101	102	104	105	108	109	111	112	111	111	110	111	na	na	na
Level of Manufacturing Employment (Index, 1983=100)																
Netherlands	100	98	99	100	101	102	103	105	105	104	101	96	95	94	95	95
Belgium	100	99	97	96	94	94	95	96	95	94	90	87	87	87	87	88

* The EU workforce increased sharply in size between 1990 and 1991 as a result of German unification.

Source: European Commission, AMECO database, March 1998.

presented in the introductory section of this essay, where proponents of the Dutch model pointed to a low level of income dispersion across the full-time employed, and opponents drew attention to a high level of income dispersion across the workforce as a whole. Such data establish not only that the disparity in individual earnings has increased, but also that the full-time employed have benefited during the adjustment process as a group. Other data provided by the OECD identify the losers from the adjustment process in the Netherlands.[22] During the period from 1977 to 1994, the poverty rate increased by 3.7 per cent. Meanwhile the disposable income of unemployed households decreased by 11 per cent, and of single-earner households by 5.5 per cent. Disposable income also fell for the young (5.8 per cent), for the working population over the age of 50 (2.1 per cent), for the retired (8.8 per cent), and for households containing only a single adult whether with children (3.5 per cent) or without (10.5 per cent). Put another way, only two-adult households with two earners aged between 30 and 50 benefited on the aggregate during the adjustment period. The Dutch welfare state remains exceedingly generous, and life in the Netherlands correspondingly comfortable, but the relative distribution of income has shifted.[23]

On the industrial side, the identification of winners and losers is more difficult. Clearly all parts of industry profited from the shift of value added away from wages. Equally clearly, job creation took place more in the service sector (which is largely sheltered from international competition) than in the manufacturing sector (which is exposed to international competition). Part of the explanation for this may lie in the fact that the profitability of the sheltered sectors of the Dutch economy has been more stable during the 1980s and early 1990s, while profits in the exposed sectors have fluctuated between important highs and lows.[24] However, given that average profits have increased in both sectors by roughly equivalent amounts the difference in variability is only part of the explanation. The other part is that manufacturers have invested in capital deepening rather than job creation. Evidence for this is found in data for sectoral productivity: real value added per manufacturing employee increased by 34 per cent from 1983 to 1997, while real value added per service sector employee increased by only 11 per cent.[25] By implication, while service-sector employers have been able to create more jobs, manufacturing employers have been able to pay out higher wages per unit of labour.[26] Thus if full-time employees have benefited during the process of adjustment, full-time manufacturing employees are likely to have benefited even more.

A final economic category to consider is agriculture, which in 1995 accounted for just 3.5 per cent of Dutch output and 5 per cent of total employment. Throughout the period from 1983 to 1997, employment in agriculture declined steadily even as output volumes increased. This is consistent with three factors: the highly competitive nature of Dutch farming; the traditionally strong emphasis on resource efficiency; and the growing concern about the environmental impact of intensive cultivation and animal husbandry. What also emerges from the employment data for the agricultural sector is the fact that the ratio of wage-and-salary earners to total employment increased from 25 to 32 per cent during the period from 1983 to 1994.

This does not mirror developments in either the manufacturing or service sectors (where the share of wage-and-salary employment remains roughly constant at 95 and 90 per cent respectively). Thus while total employment in the agricultural sector declined, self-employment declined even faster, a fact which suggests there has been an important shake-out of smaller farmers in the Netherlands. What caused this shake-out is an open question. What is clear, however, is that the period of adjustment was a difficult one for agricultural regions.

US AGAINST THE WORLD OR JUST US AGAINST THEM

The Dutch adjustment coincided with certain losers and winners: the poor, the elderly, the unemployed, and the unmarried were losers, as were unskilled workers and small farmers. The well-to-do, those between 30 and 50 years of age, two-income households (which would include urban residents who live close to large service providers), skilled manufacturing workers, and industrialists in all sectors of the economy (including larger farmers) have benefited. However, having established a correlation between these developments and the period of adjustment does not tell us whether this assignment of losers and winners was arbitrary or intentional. Put another way, were the losers in the Dutch adjustment process predetermined, did the polder model play a role in allocating to them a disproportionate share of adjustment burden, or did the polder model shield these parts of society from an even worse fate? The answers to such questions goes beyond the identification of winners and losers to explore how diverse groups are represented (or are not represented) in the polder model, and whether the workings of the polder model can actually effect the distribution of adjustment costs.

The level of demonstration in this part of the argument is more suggestive than definitive. The argument really requires a fly-on-the-wall journalistic account of discussions within and between the political parties, the cabinet and the social partners, coupled with a precise accounting for the economic and fiscal mechanisms at work. In the absence of that, what is available is a record of policy measures, electoral competitions, and developments within the various organisations. Nevertheless, such evidence is sufficient to recast the foundation myth of the polder model in terms of a redistribution of adjustment costs away from the 'winners' and towards the 'loser' identified in the previous section.

In this telling of events, the 1982 formation of the Lubbers centre-right cabinet results from the exasperation of politicians and employers with the obstructive role of the trade unions in wage bargaining negotiations. According to the conventional wisdom of the period, the principal cause of unemployment was an explosion in wage costs initiated in the early 1960s and reignited in the early 1970s. The explanation for the wage explosion differed from one decade to the next. In the 1960s employers encouraged a rapid growth in wages as part of a competition for scarce labour resources, while in the 1970s it was the trade unions who refused to accept the principle of wage moderation. Nevertheless, the result in both cases was the same: industry changed its investment strategy to substitute capital for labour, thus eliminating the structural basis for full employment.[27]

Protective welfare state legislation, labour-hoarding, and a generally low female participation rate in the workforce held off the explosion in unemployment figures throughout the 1970s. With the rise in real interest rates in the aftermath of the second oil price shock, however, industry could not afford to hold on to unprofitable workers. Where redundancies were possible, they were made. Where legislation prevented the rationalisation of labour costs, industries went bankrupt. In either case, unemployment levels increased dramatically.

The structural explanation for unemployment was not universally accepted. Nevertheless, it did command the attention of the centre-right.[28] The fact that the Wassenaer accords traded off wage moderation for the promise of job-creating investment suggests that Wim Kok's trade union confederation accepted the logic of structural unemployment as well. Moreover, investment in equipment increased dramatically soon after the signing of the Wassenaar accords. Gross capital formation contributed an average of over one percentage point to market GDP growth in the period from 1983 to 1986 (compared to the zero per cent contribution of net exports), and the equipment share of total investment rose from 40 to 47 per cent.[29] The problem is that this investment did not create a significant number of new jobs in manufacturing. By 1991, manufacturing employment peaked at five percentage points above the 1983 level even as the working-age population had increased by 7 per cent (and the participation rate by 4 per cent of the working-age population). In other words, although the Wassenaar accords accepted the logic of structural unemployment, they did not result in a change in the structure of manufacturing.

If the objective was to create manufacturing employment, the Wassenaar accords did not succeed. Rather, the government relied on early retirement and worker disability schemes to facilitate redundancies and to relieve industry of the burden of supporting the unemployed. At the same time, the growth in part-time employment and two-earner households helped to sustain incomes for much of the urban population. However neither social welfare programmes nor part-time employment can shield the labour market indefinitely from the underemployment of human resources. Each hour worked must provide sufficient income (either directly, or through taxation) for an ever larger percentage of the population. Such developments limit the extent to which employed workers will benefit from their own productivity increases, and confront the active population with an ever greater redistribution of the fruits of their labours.[30]

Such a description perhaps sounds too apocalyptic. Nevertheless, it is a useful device to focus attention on how Mancur Olson's large group/small group dichotomy informs developments in the Netherlands during the 1980s.[31] Regardless of what the unemployment statistics say, so long as each hour worked must account for a larger share of the population, the workforce as a whole will become 'smaller' in collective action terms. By the same token, so long as the national trade union confederation behaved as a large group, and imposed wage restraint on its member in the interests of society at large, the group would lose membership. Once it began to act as a small group, and protect the interests of its members, it would not suffer from such collective action problems. From this perspective, it is not surprising that Kok's trade union confederation (and organised labour as a whole) suffered in the aftermath of the Wassenaar accords. From 1980 to 1990 trade union density declined from 21 to 15 per cent of the workforce as a whole, with the sharpest falls witnessed in the manufacturing industries. The cause for this decline was a combination of stagnation in manufacturing employment and disaffection with the policies of the trade union leadership. And the reaction was a shift in trade union strategy towards more confrontation with the government as well as to focus greater attention on attaining real wage gains for employed workers.

Following this line of reasoning, the shift to the centre-left at the end of the 1980s, coincides with a consolidation of employed labour in the distributional coalition behind the adjustment process. However, rather than abandoning the policy of wage moderation, the centre-left coalition began to slash government responsibility for the unemployed and the disabled worker. The intention was to protect earned incomes from increased taxation, and the effect was to widen the disparity in personal incomes between the employed and those not holding jobs.

Such a strategy was not without political cost. Although employed trade unionists stood to benefit from foregone tax increases, cuts in social welfare outlays were offensive to the broader social democratic sensibilities of the

Dutch population as a whole. The 1994 elections saw both government parties fare poorly at the expense of the liberal opposition (both right and left) as well as a group of new political movements intended to protect the elderly from further cuts in income. The Labour Party slumped to its lowest performance since 1967, and the Christian Democrats dropped out of the coalition altogether.[33] Such a result was not unexpected. Nevertheless, it is troubling. The foundation myth of the polder model contends that the principal importance of the 1994 elections is that the economic programme remained consistent before and after. A better interpretation is that the broad-based Christian Democrats were most vulnerable to being undermined by the narrowness of the distributional coalition.[34]

In the aftermath of the 1994 elections, service-sector employment has continued to grow and manufacturing employment to decline, and yet trade union membership has begun to increase again. The trade unions' small-group strategy has started to win workers back into the fold. Meanwhile the Christian Democrats have continued to founder, and have even begun to lose their stranglehold over local administration across the country. Thus while proponents of the polder model attempt to focus attention on Dutch solidarity, developments on the ground indicate a splintering of interests rather than a coming together. Indeed, this is true across regions as well as across society. As a result, some analysts have begun to point out the need to generate more explicit institutions at the regional level in order to ensure that the whole of the country is represented at the national level.[35]

Increasingly, the Netherlands is losing those encompassing organisations that made it characteristically different from Belgium during the 1980s. Dutch political and economic elites are losing the capacity to mediate between interests within, rather than between, politically salient groups. Correspondingly, the possibility that conflict over the distribution of adjustment costs has increased.

THE END IS NIGH – AS WE SHOULD EXPECT

The polder model succeeded in postponing conflict over the distribution of adjustment costs during the 1980s and early 1990s by internalising that conflict within the principal political parties and within the trade union confederation. These organisations were able to internalise the conflict as part of the peculiar institutional legacy of consociational democracy. Neither the Christian Democratic Party nor the secular FNV are pillarised institutions *per se*; however, as cross-pillar fusions of Catholics and Protestants (on the one hand) and Catholics and Socialists (on the other) both organisations retained their encompassing character. Over time, however, and lacking the cultural inclusiveness of truly pillarised organisations, the ability of the Christian Democrats or the FNV to channel conflict weakened.

The allocation of adjustment costs under the polder model accelerated this weakening of national, encompassing institutions. Put another way, the polder model is becoming increasingly unstable because it leaves too many important groups outside the distributional coalition and without the prospect of interest intermediation at the national level. The situation in the Netherlands is now little different from that in Belgium. The fact that linguistic conflict is virtually unknown in the Netherlands is irrelevant. All that matters is that groups outside the distributional coalition are searching for representation at the national level. Should they succeed in generating or capturing such representation, conflict over the distribution of adjustment costs implicit in the polder model is inevitable. The point to note is that such distributional conflict need not be violent to destabilise the polder model. All that is required is an increase in electoral volatility combined with a political entrepreneur clever enough to mobilise voters against concerted wage restraint. Such mobilisation would bring the period of cross-coalitional consensus to an end, and would replace it with a more conventional pattern of political competition and economic tit-for-tat. Indeed, the results of the 1998 election suggest this might already be the case.

The simple conclusion is that the workings of the polder model have laid the seeds for the ultimate destruction of the model itself. From an historical context, this is unsurprising. Earlier attempts at concerted price-wage moderation and welfare state construction ended this way. Therefore it is reasonable to assume that concerted price-wage moderation and welfare state reform would share a similar fate. What is surprising is that proponents of the polder model as a general model would understate (or even ignore) the peculiar institutional context that supports its functioning as well as the specific distributional outcome that is its result. There are losers as well as winners from the polder model. And, as the Dutch Christian Democrats have learned, it is too much to expect that the losers will accept their assignment indefinitely.

From this standpoint, the interesting question is not whether 'competitive' corporatism or the polder model represents an adequate response to globalisation. Such an instrument may facilitate adjustment in specific market outcomes or economic structures. However, it is the adjustment, and not the process, that should be judged for its appropriateness. The interesting question, therefore, is whether the polder model as a process will be available to the Netherlands (or any country) in the future.

If we include the Belgian example within the confines of the model, then the answer is yes: of course accepting that the result will be to delay rather than to eliminate distributional conflict, and with the proviso that it works best when no-one knows it is being used and therefore cannot object to it.

If we exclude the Belgian example, then the applicability of the polder model in the future appears limited. Perhaps this explains why the right-liberal VVD is eager to distance the workings of the model from the successes of the adjustment process. The Dutch have had considerable success over the past 16 years. However, whether they will continue to do so into the new parliament will likely depend on finding a new adjustment mechanism altogether.

NOTES

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1. See Paul Teague and John Grahl, 'Institutions and Labour Market Performance in Western Europe', *Political Studies* 46/1 (March 1998) pp.14–16.
2. Paul Pierson, 'The New Politics of the Welfare State', *World Politics* 48/2 (Jan. 1996) pp.143–79; Paul Pierson, 'Irresistible Forces, Immovable Objects: Post-industrial Welfare States Confront Permanent Austerity', *Journal of European Public Policy* 5/4 (Dec. 1998) pp.539–60.
3. The term 'competitive' corporatism is borrowed from Martin Rhodes, 'Globalisation, Labour Markets and Welfare States: A Future of "Competitive Corporatism"?', in idem and Yves Mény (eds.) *The Future of the European Welfare State* (London: Macmillan 1998) pp.178–203. See also John Gerard Ruggie, 'International Regimes, Transactions, and Change: Embedded Liberalism in the Post-war Economic Order', in Stephen D. Krasner (ed.) *International Regimes* (Ithaca, NY: Cornell UP 1983) pp.195–232.
4. International Monetary Fund, 'Kingdom of the Netherlands-Netherlands – Selected Issues', *IMF Staff Country Reports* 97/69 (Aug. 1997); 'Hans Wijers, dissident van het poldermodel', *SER Bulletin* 12, Dec. 1997.
5. Samuel Brittan, 'New Role Models for Old', *Financial Times*, 27 Feb. 1997, p.14; Anton Hemerijck, 'Farewell to the Continental Welfare State? The Case of the Netherlands', *ECPR News* 8/3 (Summer 1997) pp.5–6. The categorisation of Hemerijck as a supporter is perhaps too strong. In his work with Jelle Visser, Hemerijck takes a strong stand against the consideration of the Dutch case as a model, and in his more recent writing he has begun to anticipate the polder model's demise. See Jelle Visser and Anton Hemerijck, *'A Dutch Miracle' Job Growth, Welfare Reform and Corporatism in the Netherlands* (Amsterdam UP 1997); and Anton Hemerijck, 'Het poldergehalte van Paars II', *SER Bulletin* 10, Oct. 1998.
6. Martin Walker, 'The "Miracle" that Hides Two Million Without Work', *The Observer*, 12 Oct. 1997, p.25.
7. OECD, *Economic Outlook* 60 (Dec. 1996) p.40.
8. These data on income dispersion are for 1990, when the unemployment rate was falling sharply and official statistics placed it at 6 per cent of the labour force.
9. The Social and Economic Council recently published interviews with the three principal figures in negotiating the Wassenaar accords. My characterisation of the events draws heavily on their recollections. See *SER Bulletin* 12, Dec. 1997.
10. Steven B. Wolinetz, 'Socio-economic Bargaining in the Netherlands: Redefining the Post-war Policy Coalition', *West European Politics* 18/1 (Jan. 1988) pp.188–92.
11. *De Volkskrant*, 1 Oct. 1994, p.43.
12. *NRC Handlesblad*, 19 Nov. 1997, pp.1, 17.

13. 'Ruud Lubbers en de hete adem van een nooit voorgelezen regeringsverklaring', *SER Bulletin* 12, Dec. 1997.
14. Hugo De Ridder, *Omtrent Wilfried Martens* (Tielt: Lannoo 1991) pp.145–64.
15. Belgian National Bank, *Report 1989* (Brussels: BNB 1989) p.36.
16. A. Van Den Brande, 'Neo-corporatism and Functional-integral Power in Belgium', in Ilya Scholten (ed.) *Political Stability and Neo-corporatism: Corporatist Intermediation and Societal Cleavages in Western Europe* (London: Sage 1987) pp.95–119.
17. At this point the clear distinction between the Belgian and Dutch cases blurs usefully. Throughout the 1980s, Dutch representatives of government, industry and labour also met in secret (often over lunch) whenever they had a politically sensitive issue to discuss or a potentially controversial deal to hatch. My thanks to Steven Wolinetz for pointing this out.
18. Theo A.J. Toonen, 'On the Administrative Condition of Politics: Administrative Transformation in the Netherlands', *West European Politics* 19/3 (July 1996) pp.609–32.
19. J.J. Graafland, 'Insiders and Outsiders in Wage Formation: The Dutch Case', *Empirical Economics* 17/4 (1992) pp.583–602; Brigitte Unger and Frans van Waarden, 'Interest Associations and Economic Growth: A Critique of Mancur Olson's 'Rise and Decline of Nations'", *CEPR Discussion Paper* 894, April 1994; 'Chris van Veen en de kans de overheid terug op de speelhelft te krijgen', *SER Bulletin* 12, Dec. 1997.
20. Hugo De Ridder, *Sire, geef mij honderd dagen* (Leuven: Davidsfonds 1989).
21. OECD, *Economic Outlook* 62, Dec. 1997, p.51.
22. Ibid. pp.49–59.
23. Again, I am grateful to Steven Wolinetz for reminding me that despite the 11 per cent drop in income, retirement in the Netherlands is better than in North America.
24. 'The Dutch Economy', *CPB Report* 3 (1997) pp.8–12.
25. These statistics for sectoral productivity growth are similar to those in Belgium (where job creation was much less remarkable). This data is from the European Commission, AMECO database, Sept. 1996.
26. From 1983 to 1997, the hourly wage in manufacturing has increased by 37 per cent. However, this figure is calculated from OECD data and it is unclear in the series whether this data is for nominal or real (inflation-adjusted) prices. What is clear is that the figure is higher for the manufacturing sector than for other parts of the economy.
27. H. Den Hartog and H.S. Tjan, 'Investeringen, lonen, prijzen en arbeidsplaatsen: Een jaargangenmodel met vaste coëfficienten voor Nederland', *CPB Occasional Papers* 2 (Aug. 1974).
28. W. Driehuis and A. van der Zwan (eds.) *De voorbereiding van het economische belied kritisch bezien* (Leiden: Stenfert Kroese 1978).
29. This data is from the European Commission, AMECO database, Sept. 1996.
30. This concern is also expressed in Jan L. Van Zanden, *The Economic History of the Netherlands, 1914–1995: A Small Open Economy in the 'Long' Twentieth Century* (London: Routledge 1998) p.176.
31. Mancur Olson, *The Logic of Collective Action: Public Goods and the Theory of Groups* (Cambridge, MA: Harvard UP 1971).
32. Jelle Visser, 'The Netherlands: The End of an Era and the End of a System', in Anthony Ferner and Richard Hyman (eds.) *Industrial Relations in the New Europe* (Oxford: Blackwell 1992) pp.348–9.
33. Paul Lucardie and Gerrit Voermans, 'The Netherlands', *European Journal of Political Research* 28/3–4 (Dec. 1995) pp.427–36.
34. Steven B. Wolinetz, 'The Dutch Parliamentary Elections of 1994', *West European Politics* 18/1 (Jan. 1995) p.193; 'Buiten de dijken van het Poldermodel', *SER Bulletin* 11, Nov. 1997.
35. Toonen, 'On the Administrative Condition of Politics'; J. Van Sinderen and H. de Groene, 'Regionale problemen en nasjonale polityk: is der noch reden foar in regionaal beleid?', *It Beaken* 57/3–4 (1995) pp.191–200. Note that a Dutch translation of this article is available from the Dutch Ministry of Economic Affairs.