



## **Decomposing Democracy: A Comment on “The Future Viability of the Dutch Democracy: A Model Case”**

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**Abstract:** As summarized by Brouwer and Staal (2020), the Dutch Government assembled a State Commission to evaluate the future viability of the Dutch parliamentary system. This paper discusses additional opportunities not accounted for within the current discussion. One opportunity shows a misalignment with the current approach while another discusses possible compromises to connect the Dutch electorate with the formation of the coalitional government.

**Keywords:** Democracy, elections, the Netherlands, decomposition, liberal democracy index, internet voting

**JELCodes:** D02; D71; D72

### **1. Introduction**

In 2017, the Dutch Government assembled a State Commission to address the future of the Dutch parliamentary system (Staatscourant 2017). One year later, the Commission suggested potential enhancements to the Dutch system (Staatscommissie 2018a and 2018b). Brouwer and Staal (2020; BS hereafter) summarize the Commission’s recommendations along with the Government’s response in 2019 (Ministerie van Binnenlandse Zaken en Koninkrijksrelaties 2019a and 2019b).

The goal of BS is to initiate a discussion among non-Dutch speaking scientists about the future of the Dutch democracy. To participate in this discussion, the substantive portion of this paper focuses on opportunities that currently exist outside of the analysis thus far (Section 2). After that I summarize these opportunities and provide a brief statement about the many aspects of the current discussion for which I am supportive.

## 2. Opportunities

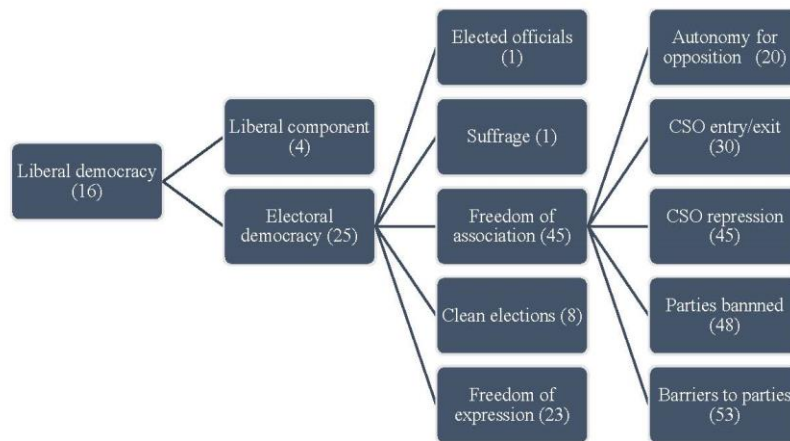
### 2.1 Decomposing the liberal democracy index

One of the goals of the Commission is the “Enhancement of the Democratic Pillar” of the Dutch system (BS: 4.1).

The first step in achieving this goal is to make assumptions about how to measure a “democratic pillar” and about what counts as “enhancement”. As suggested in BS, one appropriate measure for the strength of a nation’s democratic pillar is the V-Dem Institute’s *liberal democracy index*. This is the V-Dem’s primary variable of interest which provides measurements dating back to 1789 and, as of 2019, is measured across 179 countries (Coppedge et al. 2020). By assuming that the *liberal democracy index*, defined below, is a good measurement of the strength of a nation’s democratic pillar, we are assuming that the index, along with the other measures of the V-Dem institute, meaningfully account for important aspects of the Dutch government. While this may be debated, the benefit of this assumption is to transform the strength of a “democratic pillar” into a score between 0 and 1. Ideally, we would understand the mapping between real-world policies and the *liberal democracy index* in such a way that we could recommend policies that increase the index. However, such an understanding is a complicated exercise outside the scope of this paper. Arguably, the second-best case, which will be adopted here, is to assume that the Dutch democratic pillar is enhanced if it increases the country’s *relative* ranking across countries. The 2019 Dutch *liberal democracy index* can easily be compared across 178 other countries whose *liberal democracy indices* in 2019 are scored between 0 and 1. Given these assumptions, a natural way to predict whether a policy will strengthen the democratic pillar of the Dutch system is to show that it will increase the relative ranking of the Dutch *liberal democracy index*.

This *liberal democracy index* is composed of several other indices and measurements. If the Dutch system is performing relatively poorly in

certain sub-measures, then these would be the areas which would be most promising for improving Dutch democracy. With this in mind, an important exercise, illustrated in Figure 1, is to decompose the *liberal democracy index* and measure the Dutch system’s relative global ranking in each of the resulting components. In 2019, the Netherlands is ranked as the 16<sup>th</sup> highest country in terms of the *liberal democracy index*. The *liberal democracy index* is calculated as a combination of two other indices: the *electoral democracy index* and the *liberal component index*. While the Netherlands ranks highly in the *liberal component index* (4<sup>th</sup>), it ranks 25<sup>th</sup> in the *electoral democracy index*, thus suggesting the latter component to be an area with potential for improvement. The *electoral democracy index* is comprised of five measures: two of which the Dutch system earns the maximum possible score (along with over 130 other countries) along with three other measures where the Dutch system earns the ranking of 8<sup>th</sup>, 23<sup>rd</sup>, and 45<sup>th</sup>. Again, the lowest-ranked component, the *freedom of association index*, suggests the area with the most potential improvement.



**Figure 1:** Decomposition of the *liberal democracy index* along with the global relative ranking of the Netherlands in each component (V-Dem Institute 2019; Coppedge et al. 2020).

This index is comprised of five (terminal) measurements applicable to the Netherlands shown on the far right of Figure 1. The low rank of the Dutch system in this index stems from the relatively poor performance on bans and barriers to parties (48<sup>th</sup> and 53<sup>rd</sup> ranked) and the Government's repression of civil society organizations (45<sup>th</sup> ranked).<sup>1</sup>

Decomposing the *liberal democracy index* points to one specific domain where the Dutch system can be greatly improved: decrease political and/or legal barriers as well as financial costs around the creation and/or expression of new parties. At this point we can return to the Commission's report to see how well their recommendations fit this analysis.

Surprisingly, the Commission recommends policies which promote the exact opposite intention: *increase* the legal, political, and financial barriers around the creation and expression of new parties. As summarized in BS: 4.1.2 "Political Fragmentation", the Commission recommends (1) higher election thresholds, (2) higher election deposits, and (3) increased difficulty for factions aiming to break away from a current political party. The Government approves of such measures.<sup>2</sup> It is not clear if the Commission should view "this political fragmentation as problematic" (BS: 4.1.2). In fact, BS point out that there have been many empirical studies showing that increased political fragmentation leads to higher quality governance (Lapuente and Nistotskaya 2009; Charron and Lapuente 2010; Charron and Lapuente 2011).

In general, it is not always true that an increase in the relative ranking of a country's *liberal democracy index* is caused by an increase in the value of a low-ranking individual measurement, such as the "parties banned" measure shown in Figure 1. In addition to aggregation issues embedded within all multi-dimensional indices, changes to measurement values may not affect relative rankings which depend on what other countries do as well. A rigorous theoretical and empirical analysis is required to adequately address the severity of these criticisms with respect to the composition of the *liberal democracy index*. What can be done here,

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<sup>1</sup> A variable can be created by taking the average of these three measures with which the Dutch system performs poorly. The Netherlands ranks 44<sup>th</sup> highest in this average measure, whereas the highest six ranking countries (in order) are the United States, Denmark, Spain, Japan, Greece, and Sweden.

<sup>2</sup> In 5, BS state that the Government is in favor of "writing a Law on Political Parties."

however, is to analyze the relationship between changes in the relative ranking of the Dutch *liberal democracy index* with changes in the measurement values of the Dutch system within the most recent two years where data is available. From 2018 to 2019, the Dutch *liberal democracy index* declined from 7<sup>th</sup> best to 16<sup>th</sup>. This decline in relative ranking was associated with a decline of 5.2% in the value of the *liberal democracy index* (0.827 in 2018 to 0.784 in 2019) which was caused by a decline in the value of the *electoral democracy index* of 4.9% (the *liberal component index* increased by 0.5%). Within the *electoral democracy index*, the largest change was in the *freedom of association index* which declined by 2.7% (*clean elections* declined by 0.8%, *freedom of expression* increased by 0.4%, and the other two measures were unchanged). Within that index, the largest difference between 2018 and 2019 was an 11% decrease in the “parties banned” measure which suggests that parties were exposed to more bans.<sup>3</sup> In addition, civil society organizations became more repressed and the autonomy experienced by the opposition was reduced (a decline of 5.3% and 4%, respectively). It should be noted that, in contrast with these changes, there was a 4.7% increase in terms of reducing the barriers to parties. However, as mentioned earlier, the total effect was that the *freedom of association index* declined.

This analysis shows that the decline in the Dutch relative ranking of the *liberal democracy index* in 2019 corresponds with a decline in the values associated with freedom of association and, in particular, a decline in the amount of freedom parties enjoy in terms of not being banned. In other words, the relationship between the decline in relative ranking from 2018 to 2019 follows the same pathway described above when analyzing the decomposed components of the *liberal democracy index*. This provides further support that increasing restrictions on political parties (as suggested by the Commission) may decrease the Dutch ranking of the *liberal democracy index* (as was observed from 2018 to 2019).

There are normative claims available for the discussion around a growing number of political parties. It can be negatively veiled as political “fragmentation” (as in BS: 4.1.2), neutrally titled as “competition”, or positively championed as political “expression”. No matter the normative viewpoint, analyzing the decomposition of the *liberal democracy index*

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<sup>3</sup> The “parties banned” measure is such that a higher number reflects less bans on parties. So, the decrease observed from 2018 to 2019 reflects an increase in the

suggests two related results. First, the Dutch system lags behind other democracies in terms of the freedom of association it provides to political parties. If the aim is to lessen the gap between the Dutch *liberal democracy index* and that of other countries, restrictions should be decreased. The second result highlights the misalignment between this finding and the Commission's recommendations focused on increasing such restrictions (BS: 4.1.2). Accepting the Commission's recommendations in this domain may lead to a further decline in the *liberal democracy index* of the Netherlands.<sup>4</sup>

## 2.2 The Electorate's role in government formation

In general, a system using proportional representation with many parties will be one that rarely observes a single party winning a majority of the votes. In fact, it has never happened in Dutch parliamentary history that a single party has earned 50% or more of the votes in the Lower House. Because of this, the formation of a coalition government is required. In the current system, early negotiations to form a coalition are chaired by an *informateur* while final negotiations of the coalition agreement are chaired by a *formateur*. Both roles are elected by a majority vote within the 150 members in the Lower house.

This means that, after the Lower House is elected, the formation of a ruling coalition can ignore the preferences of the electorate on the composition of a coalition, as long as the newly formed coalition is supported by a majority of the votes in the Lower House. One goal of the Commission is to close this gap by increasing the voters' direct influence on the formation of government (BS: 4.1.6). To do so, they propose a new method where the *formateur* is directly elected by the electorate at the same time during the parliamentary election. Under the recommendation of the Commission, this *formateur* will have a limited amount of time with which they are tasked to form a ruling coalition. If this directly elected *formateur* fails to secure a coalitional government, then the position of *formateur* will be newly assigned using a majority vote in the Lower House (which is the current method of selection).

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level of bans.

<sup>4</sup> In 4.2.1, BS also discuss additional bans and restrictions on political parties that could further reduce the Dutch ranking in the liberal democracy index.

This recommendation was rejected by the Government because “...an elected *formateur* does not adhere to the logic in the Dutch constitutional arrangements...” (BS: 5). The reasoning behind this decision is likely concerned with the connection between the *formateur* and the prime minister. While not officially specified, it is often the case that the *formateur* becomes the prime minister. In this way, a directly elected *formateur* resembles a directly elected prime minister, which takes away from the primacy of the Lower House which is in contradiction with the philosophy of the Dutch representative system. Despite rejecting this specific proposal, “The Government recognizes that the electorate’s minor influence on the formation of a new government is a problem” (Ministerie van Binnenlandse Zaken en Koninkrijksrelaties 2019a) and a new resolution is welcomed.

A natural compromise between the Commission and the Government is to allow the electorate to choose a position other than the *formateur* which influences the formation of the government.<sup>5</sup> One example is that the electorate could choose the *informateur* whose role is to gather information about possible coalitions which will be used by the *formateur*. Currently, the *informateur* is elected by the Lower House and allowing the electorate to choose this position will give them additional control in the formation of the government without having a more direct connection with the election of the prime minister. A second approach is to utilize two *informateurs* one of which is elected by the Lower House while the other is directly elected. Two *informateurs*, both elected by the Lower House, were jointly working on the formation of a ruling coalition after the 2012 Dutch general election. If a directly elected *informateur* is still too divergent from the logic in the Dutch constitution, then a third approach is to allow the electorate to choose the *verkenner* (or “scout”). While the role of the *verkenner* is to determine from which party a member could be expected to be successful as *informateur*, whose role is, as discussed above, connected to the *formateur*. Thus, the *verkenner* is two steps removed from the *formateur*, while the *informateur* is only one. Finally, if an approach using a current role is not possible, then a new role could be created that assists some combination of the *verkenner*, *informateur*, and/or the *formatuer* in the entire process of selecting a coalition.

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<sup>5</sup> The practicalities of electing such a role could use the approach proposed by the Commission’s recommendation for a directly elected *formateur*.

A more radical approach is to award the ability to elect an influential role<sup>6</sup> to one party based on a random drawing weighted by the number of seats won in the general election. This would be akin to drawing one ball from an urn with 150 balls. For example, using the outcome of the 2017 election, the VVD party would have 33 balls in the urn, the PVV party would have 20 balls, the CDA would have 19 balls, and so on until the FvD party with 2 balls. Given the composition of this urn, one ball would be drawn and whatever party is associated with that ball would have the ability to assign one of their members into this role. While a recent survey suggests that the Dutch populace may be considerably against randomness in determining the *members* of parliament (Brouwer and Staal 2018), there may not be such a negative sentiment towards using randomness in determining the *roles* within parliament. There is a large benefit in adopting this randomized approach. Not only does the electorate have a more direct input in the coalitional formation, but this approach also highlights the importance of individual votes. Individual votes are more likely to be “pivotal” in determining their favored party’s weight in winning this ability. Since votes are more likely to be pivotal, citizens are more likely to be informed and more likely to vote (See Frey 2017: Proposal 6.9 and Kendall 2017: 2.4).

There exists many options to reach a fruitful compromise for satisfying the Commission’s and Government’s desire to grant the electorate more direct influence on the formation of the government.<sup>7</sup> An additional benefit of adopting such an approach is that it will also “Strengthening Knowledge and Skills of Democracy” (BS: 4.2.5). Explicitly connecting the electorate’s votes to the formation of the government will force voters to learn more about their own government and the importance of coalitional formation. For a voter to consider possible coalition partners, it necessarily is the case that they will have to consider the positions of other parties, thus increasing their knowledge of the landscape of parties within their system. In the current system, voters may not know the importance of government formation in the Dutch coalitional government. Politicians aiming at being elected to this role will be encourage at promoting this knowledge.

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<sup>6</sup> The role could be the *verkenner*, *informateur*, *formateur*, or a newly created role.

<sup>7</sup> Some may consider allowing such a vote to be redundant, since the *informatuer* typically comes from the largest party (van Kessel 2019).



### 2.3 Internet voting

The Commission states that “the legitimacy of the parliamentary representative system is enhanced by a high voter turnout” (BS: 4.1.3 “Voter Turnout”). While there are many reasons why people choose not to vote, the enhancements endorsed by the Commission connect low voter turnout with low accessibility to vote. More specifically, their enhancements emphasize an increase in the accessibility of polling stations, ballot papers, voting early, and voting abroad. While these changes may increase voter turnout, a clear omission is the lacking discussion of internet voting. The Commission does comment on the use of citizen’s forums conducted on the internet (BS: 4.1.4), the importance of “Digitalization” around the access of information (BS: 4.2.2), and how the internet can be used for the Netherlands to cooperate with other institutions (BS: 4.3.2). However, the Commission does not comment on using the internet to allow people to vote. If the Commission is interested in increasing access to voting, allowing internet voting is, arguably, the most effective solution.

The future of democracy will include experimentation with internet voting (Kendall 2017). However, the effect of internet voting on voter turnout is difficult to measure and almost certainly depends on the specific population (Goodman and Stokes 2018). For example, the importance of internet voting depends on the reliability of the postal system (Germann and Serdült 2017). Also, since we are focused on the Dutch experience, a beneficial research approach would be to poll the Dutch population to measure their approval of the possibility of using internet voting (à la Brouwer and Staal 2018).

### 3. Conclusion

The goal of this paper is to highlight overlooked opportunities within the discussion between the Commission and the Dutch Government. A decomposition of the *liberal democracy index* shows that some of the agreed-upon recommendations will have a negative impact in terms of this measure (Section 2.1). More specifically, the data suggest that the Netherlands currently lags behind many countries in terms of the freedom it offers to political parties, thus suggesting that effective enhancements would decrease such restrictions. However, the Commission recommends the exact opposite approach (BS: 4.1.2). In addition, possible compromise solutions are discussed for giving the electorate more power in forming a

coalition without infringing on the philosophy of the Dutch Constitution (Section. 2.2).

Most of the recommendations from the Commission and Government are, I agree, fruitful ways to improve the Dutch system. For example, I agree with the Commission's positive sentiment towards proportional representation as well as their decision to not entertain making voting mandatory or lowering in the voting age (despite the Government's approval of this). In addition, the Government rejects the Commission's proposal of a national holiday in order to strengthen knowledge and skills of democracy (BS: 4.2.5). I agree with the Government as the connection between a national holiday and its benefit to the Dutch democracy are not clear. I also agree with the Commission's aim to create a political climate that is more suitable for minority governments (BS: 4.1.6), and I would encourage more work in this area. I agree that many new practices and rules need to be focused on the digitization of future democracies. Digitalization creates new opportunities in terms of information distribution (BS: 4.2.2) as well as in terms of voting (Section 2.3).

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