



Japan Local Government Centre, London

Monthly Report July 2010 (Germany) – Mecklenburg-Vorpommern attempts structural reform of counties for the second time

In 2007, the government of Mecklenburg-Vorpommern tried to implement a wide-ranging structural reform by merging its existing 12 counties into five larger units. However, the law setting out these changes and which had been passed by the *Land* parliament was struck down by the constitutional court of the *Land*, after a number of counties and also former elected members of the *Land* parliament took court action. The main reason why the reforms were declared unconstitutional was that the government had not set any clear criteria regarding the shape of the new counties, instead it was proposed to align the new counties with the existing planning regions. Also, local people would in effect have been prevented from participating in the democratic process due to the size of the newly created authorities, and this fact was criticised in the ruling. In effect, a conflict exists between the right to democratic participation and the need to provide efficient administration, in particular under the current circumstances Mecklenburg-Vorpommern finds itself in with regard to ongoing demographic and economic change.

Mecklenburg-Vorpommern is the northernmost *Land* in the Eastern part of Germany. With 23,170km² and 1.66m inhabitants, its population density of 72 inhabitants per square kilometre is the lowest in Germany. Although it has some of the most beautiful and celebrated landscapes in Germany – the island of Rügen, the Mecklenburg Lake District – and has had success over the past years in developing itself as a tourism destination, re-unification in 1990 has brought many problems; one of the most pressing is the unfavourable demographic development. The *Land* has been losing people at a quite alarming rate. Between 1990 and 2010 its population has shrunk by more than 200,000 people, and it seems unlikely that although the development might be slowed that it can be stopped completely. Mecklenburg-Vorpommern is therefore forced to urgently tackle the problems of shrinking towns and villages and a rapid aging of the population.

Previously the *Land* government had announced a programme to streamline the administration and re-structure all levels of government. The main purpose of the reform was to make the administration more efficient and adapt it not only to lower population levels but also to thoroughly modernise it. This also included a restructuring of the counties as mentioned above, which has proven to be more complicated than envisaged.

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In 2009, the part of the reform dealing with functional issues and importantly the distribution of funds between *Land* and local government was concluded by an amendment of the Fiscal Distribution Law which has entered into force on 1st January 2010. (Each *Land* has one of these laws which details how tax income is distributed between government levels.)

The second attempt to restructure the counties which was approved by the *Land* parliament at the same time as a law redistributing functions between the *Land*, the counties and the municipalities has seen one important change: instead of a reduction from 12 to five, there are now going to be six, while two cities will remain as unitaries – the state capital Schwerin and the historic Hanseatic League city of Rostock. In this way it is hoped that the charge of imbalance can be avoided. *Land* politicians have also emphasised that this time, they have amended all relevant laws as necessary to prevent a legal challenge succeeding again. However it is assumed that there will be a second court challenge as opposition is still pronounced; this goes especially for those cities which lost out in the contest for becoming the seat of the new larger counties and county councillors who identify strongly with their current counties.

With the reform, Mecklenburg-Vorpommern will have some of the geographically-largest counties in Germany. The new county 'Mecklenburgische Seenplatte', which is a merger of three counties, will be 5500 km², which is more than double the size of the Saarland, the smallest *Land* (excepting the city states) in Germany. It is hoped that by reducing the size of the administration serious savings are possible – considering that the transfer payments made to the East are due to run out by 2019.

The new structures will become functional in September 2011.

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