

Summary and conclusions

The Caribbean Netherlands five years after the transition

Impact on the population

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In October 2006, the Hague played host to a conference on the future constitutional structure of the Caribbean Netherlands. The final declaration contained a commitment to a joint evaluation of the development of that new constitutional order by the Netherlands and the islands of Bonaire, Sint Eustatius and Saba. The evaluation was to take place five years after the administrative transition on 10 October 2010. In order to make this evaluation possible in 2015, preparatory studies were carried out. The study described in this report, which was carried out between January and June 2015, focused on the consequences of transition for the population of the islands.

Research questions

The research questions formulated by the Commission charged with evaluating the development of the new constitutional structure for the Caribbean Netherlands (*Commissie evaluatie uitwerking nieuwe staatkundige structuur Caribisch Nederland*) were as follows.

- 1 How has the economic situation on the islands developed since 10 October 2010? Which factors (e.g. relating to the fiscal legislation) are or have been important in the economic development of the islands?
- 2 How has the physical infrastructure developed, including the accessibility of the islands by water and by air? How has the level of infrastructural facilities evolved against the background of the economic development since 10 October 2010?
- 3 How has implementation progressed of the agreements that emerged from the administrative consultation on 31 January 2008 to formulate standards, taking into account the specific circumstances cited in the list of resolutions in that consultation, for a level of facilities that is acceptable within the Netherlands in Bonaire, Sint Eustatius and Saba in the priority fields of education, public health, social security and public safety?
- 4 How has the level of facilities developed against the background of the particular character of the Caribbean Netherlands and against the background of the agreement reached on formulating standards for a level of facilities that is acceptable within the Netherlands?

In addition, the study team was requested to provide an insight into the role played by relevant actors, and specifically into the following aspects:

- 1 How has the policy pursued on the level of facilities in the fields of education, public health, social security, public safety and physical infrastructure impacted on the population?
- 2 What has been the contribution of the ‘public bodies’ (the official status of the islands under Dutch law), central government and other relevant actors to the development of the level of facilities?
- 3 How has the distribution of responsibilities between the public bodies (islands) and central government functioned in respect of the development of the level of facilities? And what was the level of cooperation in this regard?

At the request of the commissioning party and the supervisory committee for this study, extensive attention was devoted to the experiences of the population (question 5). This is in line with the advice of the Dutch Council of State that this part of the study should focus primarily on the tangible social impact on the daily lives of island residents as a result of the transition to the new constitutional order on the islands.

The influence of the various actors on the level of facilities achieved (questions 6 and 7) is not simple to determine decisively within the short timeframe of this study, due to the other factors that could also play a role. Policy efforts, or the lack thereof, are often just one of the factors that determine the social situation of island residents. Causality is not easy to determine. For example, health status and the level of safety depend in part on factors that lie outside the scope of policy influence. Interviews held on the islands and the survey of residents are the main sources used to provide an impression of the role of the various actors. This is described in chapters 8 and 9 of this report, which are concerned with the perception and appreciation of life on the islands by the population and by administrators, policymakers and professionals, representatives of civil-society organisations and members of the business community working in the priority fields. Ascertaining the contribution made by the public bodies, central government and other relevant actors to the development of facilities was however not an independent element of the present study, nor was the distribution of responsibilities and the cooperation between the public bodies and central government.

The perceptions, observations and levels of appreciation by respondents can be regarded as ‘social facts’. People act in accordance with this reality, whether or not it is based on empirically observable facts. Or, to quote the Thomas theorem: ‘If men define situations as real, they are real in their consequences.’ In other words, the way in which citizens perceive their social situation as described in this report cannot be dismissed as the sum of mere opinions, but must be regarded as a reality that is relevant from both a policy and a political perspective.

Research design

When carrying out this study, allowance was made for the limited availability of data that could serve as indicators for the situation on the islands. This applies not only for the number of indicators, but also for their development over time. The amount of information available proved limited in many areas. It is important to be aware that no baseline measurements were carried out in 2010, so that any statements about the consequences of the decisions taken on 10 October 2010 must be treated with caution. The limited time available also made it difficult for the researchers to collect extensive primary data themselves. Despite these constraints, SCP did endeavour to gather new supplementary data within a short space of time. The following activities were undertaken to this end:

- A representative survey was conducted among the population of the three islands (Saba: 146 respondents; Sint Eustatius: 202 respondents; Bonaire: 401 respondents) to ascertain their perception of the situation following the administrative transition;
- Seven intensive discussions were conducted with focus groups made up of island residents;
- More than 60 interviews were held with a total of some 150 administrators, civil servants, professionals, representatives of civil-society organisations, entrepreneurs and citizens on the islands, focusing on their experiences of the situation on the islands following the administrative transition;
- Interviews were conducted with approximately 100 island residents in their preferred language (Dutch, Papiamentu, English) during six drop-in sessions with the researchers on the islands;
- A webpage was made available on which island residents could tell their stories about and recount their experiences of the administrative transition; approximately 25 residents made use of this facility;
- Interviews were held with inspectors charged with overseeing the priority facilities, as well as with officials from the ministries involved.

The remit of the study was to provide as factual and objective a picture as possible of developments in the Caribbean Netherlands in the individual areas highlighted and in the socio-economic situation. To achieve this, statistical data, microdata (from individual persons) and qualitative insights are indispensable. Existing sources were used to address the research questions, including a large number of policy documents and information from supervisory authorities and civil servants involved in the transition.

How has the economic situation developed?

Island character and scale impose limits on economy

The majority of commodities and other goods and products used on the islands have to be brought in from elsewhere. However, the (very) limited size of Bonaire, Sint Eustatius and Saba, in terms of both area and population, imposes limits on the size of the local econ-

omy and the available spending potential. If there are too few users, it is not (financially) attractive to offer a given amenity, either commercially or non-commercially. The scale and the associated cost disbenefits also play a role: a shrinking market increases the average unit costs, which means that, without government intervention, the product or service in question becomes more expensive. This applies especially for Saba and Sint Eustatius, and to a lesser extent also for Bonaire.

One-sided economic structure makes islands economically vulnerable

All three islands have a one-sided economic structure. The limited number of economic activities, which dominate the local economy, makes all three islands economically vulnerable. To what extent the overall picture has been influenced by the decisions of 10 October 2010 cannot be established on the basis of the available data (from Statistics Netherlands (CBS)). However, the opinions and perceptions of the local population and business community do enable a more qualitative picture to be formed. That picture is not universally positive.

Increased tax revenues ploughed back in through (temporary) rafts of measures

The administrative reforms also involved a review of the tax system. One key agreement in this regard was that the tax burden in 2011, the year that the new system was introduced, would remain roughly the same (at macro-level) as in 2010. In reality, however, following the introduction of the new system, tax revenues turned out higher than agreed. A range of measures was subsequently introduced to channel the excess tax revenues back to taxpayers. This operation also helped to sustain purchasing power and boost the business climate. However, it is unclear how this operation worked out in practice for the different sections of the population.

Strong impact of price increases on purchasing power

Price rises have had a major impact on the purchasing power of island residents. Between 2010 and 2013, the purchasing power of wages on Bonaire fell by 4% (wages +6%, prices +10%), by 14% in Sint Eustatius by 14% (wages +2%, prices +16%) and by 6% in Saba (+6% wages and +12% prices). The consumer price index has only recently fallen (first quarter of 2015). The steep price increases were largely caused by external influences, such as energy and food prices. Although it is difficult to gauge the impact of government policy and the administrative reforms on prices, they are likely to have had less effect than external factors. What is clear is that local businesses raised their prices in response to higher taxes, higher costs and the introduction of the us dollar.

Impact of administrative reforms on business climate unclear

Since the constitutional reforms, efforts have been made to improve the business climate in the Caribbean Netherlands. Those efforts include offering finance facilities to businesses and temporarily lowering business property tax rates. The shift from direct to indirect taxation was also intended to strengthen the economies of the islands. However, the limited

availability of macroeconomic data mean it is not possible at this juncture to determine the impact of these measures.

How has the physical infrastructure developed?

In the period after 10 October 2010, a great deal of attention was devoted to the existing (physical) infrastructure on Sint Eustatius, Saba and Bonaire. Several government agencies looked at the quality, availability and price levels of the various infrastructural facilities. This administrative attention marked a recognition that adequate infrastructural facilities are important for the proper functioning of the islands. This exercise resulted in the drawing up of master plans for the airports, and new plans were also developed in other areas, including increasing the sustainability and security of supply of energy and improving the water supply. The Netherlands contributed funding to the planning activities and also supplied relevant expertise.

The main financial contribution by the Netherlands towards the implementation of the plans is focused on setting parameters. For example, the Netherlands is willing to pay for the necessary investments in airport safety, but the construction of a new terminal is regarded as the responsibility of the islands themselves. This is an administrative choice. More fundamental are the discussions on overdue maintenance of the infrastructure and the allocation of the relevant responsibilities. The main area of concern here is the quality and maintenance of the road network, which is an island responsibility. Earlier studies have made clear that the resources made available are not sufficient.

A pertinent factor in the discussions on the allocation of responsibilities is that the islands have no capital account for servicing the funding of investments and that there is a lack of adequate reserves. In addition, the applicable legislation on funding public bodies in Bonaire, Sint Eustatius and Saba (*Wet FinBES*) imposes requirements in respect of a (balanced) budget. Combined with the very limited financial scope, these requirements mean that the islands are unable to meet their responsibilities in relation to the necessary investments in infrastructure.

A further factor that particularly affects the island population, but also local businesses, is that most of the efforts made to date have taken place behind closed doors and are therefore not (yet) very apparent to the public. Many of the plans made only recently started to be implemented, or are still on the drawing board. Patience is therefore required before tangible results will become visible. This is by no means unusual for the realisation of physical projects, including infrastructure; the period between plan formulation and implementation usually spans several years, something that is not surprising given the necessary investments and the many different interests that may be involved. Ensuring that the various local and central authorities involved keep the public properly and adequately informed can of course help here.

Have standards been formulated for the level of facilities on the islands?

The purpose of the administrative agreements was to formulate standards for a level of priority facilities on the islands that was acceptable within the Netherlands. Explicit account was taken of the specific circumstances referred to earlier. The Statute is also clear on this point. Moreover, the specific circumstances will not be the same for all facilities. Each policy domain has its own specific circumstances, which may lead to a different configuration than is usual in the European Netherlands. Separate agreements have therefore been made for each policy domain, and where necessary individual improvement programmes have been initiated.

It is apparent that there was no cohesive approach or vision by the ministries involved with regard to the development of the Caribbean Netherlands. Each department developed its own plans and set the size of the available budgets. Some ministerial plans were more closely matched to the level of facilities in the Caribbean Netherlands (Ministry of Social Affairs and Employment), while others were more geared to the Dutch situation (Ministry of Health, Welfare and Sport, Ministry of Education, Culture and Science, Ministry of Infrastructure and the Environment).

In formulating the targeted level of facilities in the area of primary and secondary *education*, the situation in the European Netherlands was taken as a starting point, and the island-specific circumstances were taken into account to only a limited degree. The aim was to raise the quality of primary and secondary schools to a level that would be acceptable for the European Netherlands by 2016. This means that all schools on the islands should offer education of sufficient basic quality by 2016. The scale of the islands is too small for them to achieve the same target for higher education.

An important benchmarking event for the future of education in the Caribbean Netherlands was an education conference involving all stakeholders. The outcome of the conference was an education agenda for the Caribbean Netherlands, 'Working together for quality' (*Samen werken aan kwaliteit*), which set out a raft of ambitions and agreements. This agenda is designed to ensure that the quality of education on Saba, Sint Eustatius and Bonaire is raised by 2016 to a level that is acceptable according to Dutch and Caribbean standards. Briefly, the agenda sets out the following five priorities:

- Raising quality;
- Strengthening the quality of teachers, school heads and school boards;
- Tailored educational support;
- Appealing vocational education;
- Setting the right conditions.

In the area of *health care*, too, standards in the European Netherlands were taken as a starting point. The aim is to gradually bring the standard of health care on the islands up to that

in the European part of the Kingdom. This will demand fundamental and structural improvements to health care in the Caribbean Netherlands. The system must be equally accessible to all island inhabitants. It was decided during the administrative consultation on 31 January 2008 that standards would be formulated to determine what is meant by ‘a level of facilities that is acceptable within the Netherlands’. During the ensuing period, however, these standards were not defined (quantified) in any further detail. Agreements were however reached during the administrative consultation on the steps to be taken. Those steps are as follows:

- A system of public health insurance has to be developed. This would be implemented on 1 January 2011 and entail reimbursement of all medical expenses for all inhabitants of the Caribbean Netherlands.
- A list of priority investments has to be drawn up for the health care infrastructure (buildings and inventory).
- The scope for purchasing necessary medical care in the neighbouring countries (medical treatment abroad) has to be explored.
- The Ministry of Health, Welfare and Sport has to finance the formulation of a long-term health care accommodation plan for the Caribbean Netherlands.
- In the context of combating infectious disease, the Netherlands has to endeavour to bring the Caribbean Netherlands up to the standards set by the International Health Regulations.

With regard to *social security*, a conservative legislative approach was favoured. The Dutch system was not taken as a starting point, because introducing this system would act as a pull factor and seriously weaken the competitive position of the islands. The constitutional transition was therefore framed by central government in terms of equating the level of social security that is acceptable within the Netherlands to the system already in force in the Caribbean Netherlands. An exception was made for retirement and disability benefits, which were raised sharply on 1 January, though to a level that is still considerably below that in the European Netherlands.

According to the Minister of Social Affairs and Employment, further improvements to the statutory minimum wage and the linked benefits need to take place within the parameters of the economic situation, balanced social relations and available budgets. The agreements made in the area of labour and social security are largely set out in the lists of resolutions made at the conference in 2006 and the administrative consultations in 2008 (31 January, 18 June and 20 November), 2009 (3 November) and 2010 (18 April). In most cases, the later agreements built on or elaborated the earlier agreements. In one case, a shift of emphasis can be observed over time. This relates mainly to the question of the extent to which the situation on the islands before the transition or the situation in the European Netherlands should be taken as a starting point for the new regulations. The general section of the final declaration of 2006 states that, in principle, the legislation of the Netherlands Antilles will remain in force. The 2008 declaration, however, reports that social assistance benefit in the

Caribbean Netherlands will come into line with the social assistance arrangements in the European Netherlands. The 2009 resolutions then deviate from this principle again as regards the level of benefits.

It was agreed that the European and Caribbean Netherlands would work together to prevent excessive price increases as a result of the introduction of the us dollar. It was also agreed that the islands would take the lead in informing citizens and businesses. A new law was introduced as one of the means of preventing excessive price increases. Under this legislation (*Prijzenwet BES*), the administrative colleges can intervene if goods and services are offered at prices that are against the general interest. The law was adopted from Antillean legislation.

In the administrative consultation on 18 June 2008, it was determined that a new fiscal system would be developed and implemented in the legislation of the Caribbean Netherlands. The November 2008 list of resolutions stipulates that efforts will be made to minimise the income effects when setting the rates and levy structure for taxes and social insurance contributions. It was also agreed that the impact of the changes in tax and social insurance contributions, as well as other activities such as the introduction of health insurance, would be identified after the change of status had taken place.

As regards *public safety* in the Caribbean Netherlands, international safety standards and the implementation of central legislation on safety played a major role. Those international standards relate among other things to the prison system and the protection of civil aviation. It was agreed that the Ministry of Security and Justice would embark on the introduction of phased improvements and, as with social affairs, that the existing Antillean legislation would be taken as a starting point. It is important to note that the agreements made in 2008 relate only to the nature and extent of the safety provisions. No performance targets were agreed on matters such as crime clear-up rates, emergency service response times or the percentage of cases dropped by the public prosecution service. The agreements also say nothing about the adequacy of the agreed quality and quantity standards for achieving the envisaged level of safety. It is unclear precisely what the level of ambition is for public safety in the Caribbean Netherlands.

Major shortfalls were identified in all policy domains in 2010. The efforts made by the different departments in seeking to reduce the deficits in the priority facilities are revealed in the financial resources made available for this (table S.1). In 2014, central government-funded expenditure totalled more than 248 million euros. Expenditure by the island administrations took the total government spending for 2014 to 316 million euros, equivalent to 13,020 euros per inhabitant. Of this total, 40% was funded by the islands concerned, with 60% coming from the European Netherlands.

Table S.1

Government expenditure for the Caribbean Netherlands (x 1,000 euros)

| Policy domain | 2010 | 2014 | Index 2014 (2010=100) |
|--|--------|---------|-----------------------|
| Social affairs | 19,200 | 23,190 | 121 |
| Public safety | 20,200 | 34,800 | 172 |
| Education | 15,700 | 43,180 | 275 |
| Health care | 15,300 | 96,480 | 631 |
| Infrastructure and economy | 5,800 | 31,760 | 548 |
| Other provisions | 4,300 | 19,030 | 443 |
| Total | 80,500 | 248,440 | 309 |
| CPI European Netherlands | | | 110 |
| CPI Caribbean Netherlands | | | 114 |
| Exchange rate \$/€ (DNB, yearly average) | 1,326 | 1,328 | 100 |

The funding provided by the central government in the Netherlands was nominally a factor of 3.1 higher in 2014 than in 2010 (a factor of 2.8 if price inflation is included). The biggest increase was in expenditure on health care (a factor of 6.3) and infrastructure and economy (5.5). The Ministry of Social Affairs and Employment provided little by way of additional funding, which increased by 10% over the course of four years after adjustment for inflation. These differences in resources deployed reflect differences in the starting situations in the different policy domains, as well as differences in the principles adopted by ministries in determining what constitutes raising facilities to levels acceptable within the Netherlands. Incorrect estimations of the starting situation in 2010 also account for some of the differences in expenditure over the period (the 'Havermans framework').

How has the level of facilities developed?

In this section we address the following questions.

- What has been the contribution of the public bodies, central government and other relevant actors to the development of facilities?
- How has the distribution of responsibilities between the public bodies and central government functioned in respect of the development of the level of facilities? And what was the level of cooperation in this regard?

1 Education

Prior to the transition on 10 October 2010, the Dutch Inspectorate of Education visited all schools in Bonaire, Saba and Sint Eustatius. Virtually all publicly funded schools or school departments were classified as weak or very weak according to the educational quality criteria applied by the Inspectorate; in the Netherlands, they would have been placed in special measures. The list of shortcomings was long and applied fairly generically to all schools on the islands. The conditions necessary for delivering good education were absent; atten-

tion for both weak and outstanding pupils fell short; learning disadvantage was severe; secondary school attainment was below-par; and secondary schools in particular faced administrative problems. In addition, school accommodation and teaching resources were inadequate.

The Inspectorate's report functioned more or less as a baseline measurement and formed the basis for the ambitions in relation to the transition as laid down in the Education Agenda 2011. The following five priorities were stated:

- Raising quality;
- Strengthening the quality of teachers, school heads and school boards;
- Tailored educational support;
- Appealing vocational education;
- Setting the right conditions.

The norm is that a pupil from the Caribbean Netherlands should be capable of following a further education course in the Netherlands without problems. Against the backdrop of this norm, the ambitions set out in the Education Agenda, and with reference to the situation at the time of the 'baseline measurement', we discuss the status of education on the islands. The emphasis is on the quality of the educational process.

The quality of education in the Caribbean Netherlands was seriously below par in 2008. Not one primary or secondary school met the basic quality standards. Today, four of the twelve publicly funded primary schools meet those basic standards: one school in Sint Eustatius and three in Bonaire. Based on the Inspectorate reports, a number of other primary schools will follow suit within the foreseeable future. The educational process has improved compared with 2008, and schools which are still failing to meet the basic quality standards in full do now meet them in some areas.

It may be of note that the school in Saba, which was in a relatively good position in 2008, still does not meet the basic quality standards, though it is improving. According to the Inspectorate, two of the primary schools in Sint Eustatius which do not yet meet all parts of the basic quality standards are likely to do so within two years; the other primary school appears to have further to go in this respect. The primary schools in Bonaire which do not yet meet the basic quality standards also have a lot of ground to make up. Primary education on the three islands still falls short in terms of quality assurance and attention for pupils who need extra care or support.

None of the secondary schools meet the basic quality standards, and according to the Inspectorate reports there is no prospect of them doing so in the short term. The reports refer to turbulent times in the (recent) past at all three schools, and regard weak school governance as a major cause of the lack of educational quality. The ambition of strength-

ening teaching staffs, school heads and school boards has not yet been achieved. There is also a lack of continuity of teaching teams and school leadership.

As regards the ambition of making vocational education more appealing, there are now more options available to prospective students. Saba and Sint Eustatius now have a modest range of courses available at senior secondary vocational level, while the existing offering in Bonaire has been expanded, and a growing number of students now attend courses on their home island. Efforts have been made to put in place the parameters as laid down in the Education Agenda.

Lack of data means we are unable to make any statements concerning the norm that pupils from the islands should be able to continue their education in the Netherlands without problems. A few dozen students each year make use of a special finance package (*opstart-toelage*) which supplements the normal student finance and makes it possible to follow a senior secondary vocational or university course in the Netherlands. An unknown number also study in the Netherlands without making use of this scheme. However, we do not know whether students originating from the Caribbean Netherlands face difficulties (more than other students) in matching their prior education to their new studies. Even if data were available on lack of study success, or dropout from study, it is not clear whether this would be due to shortcomings in the prior education or to other factors.

One problem area – and therefore a pointer for improvement – which emerged very clearly is the discrepancy between the mother tongue of students and the language of instruction and examinations at school. For this reason, Sint Eustatius has decided, like Saba earlier, that English will be the language of education. The state secretary for education has described this as a radical decision, but one that is better matched to the situation of the students and is likely eventually to lead to better school achievements. In Bonaire, the current situation will continue for the time being, with many students facing a discrepancy between using Papiamentu or Spanish at home and Dutch at school.

Another problem area is the absence of special schools and a shortage of specialist care for a proportion of students with one or more cognitive and/or behavioural problems or with disabilities. At present they are accommodated in mainstream schools, but the care available for them does not always appear to be adequate.

2 Health care

The health status of the population of the Caribbean Netherlands has improved since 2004, especially in terms of life expectancy at birth and at age 65. Statistics Netherlands (CBS) also concludes from a survey held on all three islands in 2013 that ‘three-quarters of the population of the Caribbean Netherlands feel healthy’. Stubborn health problems include overweight and high blood pressure, diabetes and severe headaches.

In the administrative consultation on 31 January 2008, it was decided that standards would be formulated to enable the level of facilities to be assessed on the basis of what was 'acceptable within the Netherlands' (see: Besluitenlijst BES bestuurlijk overleg 31 January 2008 in The Hague (in Dutch)). In the ensuing period, these standards were not defined in quantitative terms; the only quantitative standard in this context applies to Bonaire, where 80% of (medical specialist) care must be provided in Bonaire itself. A key reason that no targets can be cited is the lack of sufficient data on which to base the status of care.

The following steps were agreed in relation to health care in the administrative consultation on 31 January 2008:

- This would be implemented on 1 January 2011 and entail reimbursement of all medical expenses for all inhabitants of the Caribbean Netherlands.
- A list of priority investments has to be drawn up for the health care infrastructure (buildings and inventory).
- The scope for purchasing necessary medical care in the neighbouring countries (medical treatment abroad) has to be explored.
- The Ministry of Health, Welfare and Sport has to finance the formulation of a long-term health care accommodation plan for the Caribbean Netherlands.
- In the context of combating infectious disease, the Netherlands has to endeavour to bring the Caribbean Netherlands up to the standards set by the International Health Regulations. To this end the Netherlands, in collaboration with the Caribbean Netherlands and the other parts of the Kingdom, would endeavour to set up and facilitate a 'focal point' for the former Netherlands Antilles.

The list of resolutions following the administrative consultation on 20 November 2008 states that the main outlines of a medium-term plan for health care and accommodation in the Caribbean Netherlands (26 projects covering the full spectrum of care, public health and youth care) would be adopted and form the basis for a multi-year programme of specific and necessary improvements (see: Besluitenlijst BES bestuurlijk overleg of 20 November 2008 (in Dutch)). These improvements span the full spectrum of care: in addition to improvements in curative care, youth health care and nursing and personal care, particular attention would be given to mental health care, dependency care and care for disabled people, on account of the shortfalls in these areas. Special attention was also to be devoted to the further development of public health at local level and island-wide preventative efforts in the field of public health.

Health care on the islands has improved in many areas. This is the view of the population in the years 2010-2013, and that view is supported by the Dutch Health Care Inspectorate and this report. The hospital in Bonaire is a success story. It is now a modern hospital offering proper medical care, which has also enabled the number of journeys to receive medical treatment abroad to be greatly reduced.

But there are other successes to report, with much being achieved in areas ranging from public health care, in which professionals are now working on every island, to care for the elderly and dependency care. The supply of drugs is now well regulated. Oral care in Saba and Sint Eustatius is good, but variable in Bonaire. Each island now has a youth and family care centre. Efforts have been made in many places with regard to the introduction of IT and medical reporting. Two helicopters are available for transporting medical emergencies from Saba and Sint Eustatius.

There is less positive news on nursing home care in Saba, though major improvements have been made following the introduction of special measures with heightened supervision. The nursing home in Sint Eustatius is better, but there is a lack of good day care. That facility is by contrast available in the nursing home in Bonaire, rated by the Inspectorate as good.

As regards GP care, Dutch GPs in Saba who are entered in the BIG-register of healthcare professionals receive a better rating from the Health Care Inspectorate than the largely unregistered GPs in Sint Eustatius and Bonaire. Dutch GPs in Sint Eustatius contribute to improving standards of care. By contrast, the Inspectorate recommends in-service and refresher training for GPs in Bonaire.

Dutch working practices in mental health care are also finding their way into the organisation responsible for dependency and psychiatric care in the Caribbean Netherlands (SVP-CN) in Sint Eustatius. In Bonaire, the Health Care Inspectorate expresses high praise for the FACT-team (Flexible Assertive Community Treatment).

Travelling abroad for medical treatment continues to elicit much debate, particularly concerning logistical and bureaucratic procedures. Recently, the Minister of Health, Welfare and Sport decided on the basis of an international comparison of hospital care in the region surrounding the Caribbean Netherlands not to make any changes to the ministerial policy of referring patients travelling abroad for medical treatment to hospitals in Colombia and Guadeloupe.

The following factors appear to be responsible for the improvements:

- The introduction of universal health insurance, with a wide range of medical expenses being reimbursed;
- Investments in infrastructure and equipment, and using ICT to make actions and costs measurable;
- The influence of the Health Care Inspectorate through its inspections, alerts and recommendations; the Inspectorate follows health care professionals and institutions much more closely than in the Netherlands;
- Transfer of knowledge, skills and standards by Dutch professionals working on the islands, and also increasing deployment of Dutch professionals.

Some of these factors were agreed in advance (introduction of health insurance, investments in buildings and equipment), but some developed only after 10 October 2010, especially the transfer of medical and nursing knowledge from the Netherlands.

The flipside of the improvements in the level of facilities and the associated increased use of care is that the costs have risen sharply. This increase became visible in the second half of 2012. The view from the Netherlands was that this made restrictions in the expenses reimbursed inevitable, but this has met with a great deal of resistance on the islands.

3 Social security

A key question with regard to social security is what constitutes a level of facilities that is 'acceptable within the Netherlands' for the Caribbean Netherlands. Differing circumstances in the Caribbean context are evidently so marked that adopting the Dutch system was not considered. This applies in particular for benefit levels. By contrast, elements relating to the functioning of the system, such as indexation of benefits and the role of the statutory minimum wage, were adopted. The transition to the Caribbean Netherlands was achieved through a simple amendment of existing Netherlands Antilles legislation. Although the intention was expressed of gradually replacing this old legislation with new rules, more akin to those applying in the Netherlands, no details given on which elements would need to be amended and within what period.

The fairly broad formulation of the agreements readily leads to differences of expectation or even misunderstandings between the actors involved. Differences in the interpretation of the agreements also lead to confusion between central government and the island administrations. For example, the addendum to the multi-year programme for Bonaire states that the Kingdom rejects a comparable social security system, whereas the island administrators consider this unacceptable, referring to the agreement concerning 'a level of facilities that is acceptable within the Netherlands'. This lack of clarity may also have influenced public perceptions of the level of facilities. The public may have assumed that this would match the facilities in the Netherlands, but were also confronted with the exceptions owing to the specific situation in the Caribbean Netherlands. The National Office for the Caribbean Netherlands (RCN) reports the following in this regard:

The differences in the legislative and regulatory framework between the European and Caribbean Netherlands lead to general dissatisfaction, not only among civil servants, but also among other residents and administrators of islands who in some cases feel disadvantaged. It is unclear for many people why and on which points a distinction is made.

Striking a balance between moving towards the situation in the Netherlands and taking account of the specific circumstances on the islands is apparently more of an issue in the field of labour and social security than in other areas. The legislation on the islands differs markedly from that in the European Netherlands, and that is not entirely without reason: there are clear differences in the economic circumstances and the labour markets between

the two parts of the Kingdom. In the European Netherlands, efforts have been made in recent decades to strike a good balance between income protection and (re)integration in the labour process. The high benefit volumes from the past have led to a belief that too much income protection can exacerbate poverty because people have too little incentive to provide for their own income. It appears that this principle has also been applied in the Caribbean Netherlands; benefits are low because of the assumed pull effects and lack of incentives to work. However, poverty is also high among groups which are not expected to participate in the labour market, such as the elderly and people with an incapacity for work, for whom an incentive function is not required. The attention given to poverty and the economic situation on the islands in various policy documents suggests that a level that is acceptable within the Netherlands has not yet been reached in this area. Efforts to combat the socio-economic problems are currently channelled mainly through 'integrated projects', which are set up locally and for which the central government of the Kingdom contributes over €2 million per year. There is reasonable satisfaction with the implementation and results of these projects.

The seriousness of the poverty problem in the Caribbean Netherlands is now recognised, as evidenced among other things by the attention devoted to it in the multi-year plan for the three islands. One important finding is that there is a virtual absence of the objective data needed for policy on purchasing power and poverty and the incentives to work in the social security system. Raising the minimum wage and the linked benefits needs to be based on the economic capacity of the islands. The Ministry of Social Affairs and Employment believes that insufficient information is currently available on this.

4 Public safety

It is important to note that the agreements made in 2008 relate only to the nature and extent of safety provisions. No performance targets were agreed on things such as the crime clear-up rate, emergency service response times or the percentage of cases dropped by the public prosecution service. The agreements made also say nothing about the extent to which the agreed levels of quality and quantity are sufficient to achieve the desired level of safety. Not only that, but it is also unclear precisely what the level of ambition is for the Caribbean Netherlands with regard to public safety. As stated, however, there are professionals who consider the current level of safety provisions to be inadequate on several points. For example, the size of the local police force (KCPN) has not grown since the transition to keep pace with the substantial increase in the population, especially in Bonaire. The investigative capacity is very limited, especially in the Saba and Sint Eustatius. Also, to the extent that we were able to ascertain this, there is a lack of the legislation and regulations needed for effective action (juvenile crime, traffic offences).

Nonetheless, again in so far as we were able to ascertain, the Netherlands has complied with the administrative agreements made in 2008. The minimum agreed staffing level for the Caribbean police service (KPCN) has been consistently met. The Royal Netherlands Mili-

tary Constabulary still makes capacity available to the KPCN, especially investigative capacity. The police accommodation has improved: the police stations in Saba and Sint Eustatius have been renovated and in 2014 a new headquarter was opened in Bonaire. The KPCN works in partnership with the police force in the Dutch province of Brabant. The KPCN budget has almost doubled from 7 million to 13 million euros, enabling the police to purchase new equipment. In early 2015 the green light was given for the construction of a completely new prison in Bonaire. The Caribbean Netherlands probation service (Stichting Reclassering Caribisch Nederland) has five staff based in Bonaire and one person who commutes between the Saba and Sint Eustatius. The public prosecution service on the islands has grown gradually since the transition, and has been fully staffed since 2012. Although the agreed investments in safety provisions have been met, as stated earlier numerous commentators have concerns about public safety on the islands. The crime rate has also shown no improvement since the transition, although these figures are not always entirely reliable.

We can conclude that, despite considerable investments by the Netherlands in improving safety (provisions) in the Caribbean Netherlands, actual safety on the islands has not improved. How is this possible? It is plausible that the large number of major changes made within a very short space of time since the transition have taken up a lot of the energy of the various organisations involved. Extra courses that staff have to follow to learn new skills take up a great deal of time. In addition, again because of cultural problems, the learning capacity of the islands' police service (KPCN) is relatively low, which slows down the implementation of newly learned practices. The rotation of staff is also widely seen as a problem, because it leads to loss of know-how and skills. Finally, the artificial administrative division between Windward and Leeward Islands has led to many practical problems. Saba and Sint Eustatius, which were previously dependent on the neighbouring island of St Maarten for many areas related to public safety, have since 10 October 2010 suddenly had to turn to the distant Bonaire. This gives rise to all manner of problems, for example in carrying out sentences, placing an additional burden on the entire public safety chain.

All in all, the conclusion is that, although the Netherlands has met its commitments since the transition and has invested a great deal in the public safety infrastructure in the Caribbean Netherlands, the factors mentioned above mean that this has not led to a reduction in crime rates and an improvement in public safety on the islands.

Consequences of the transition in the eyes of the island populations

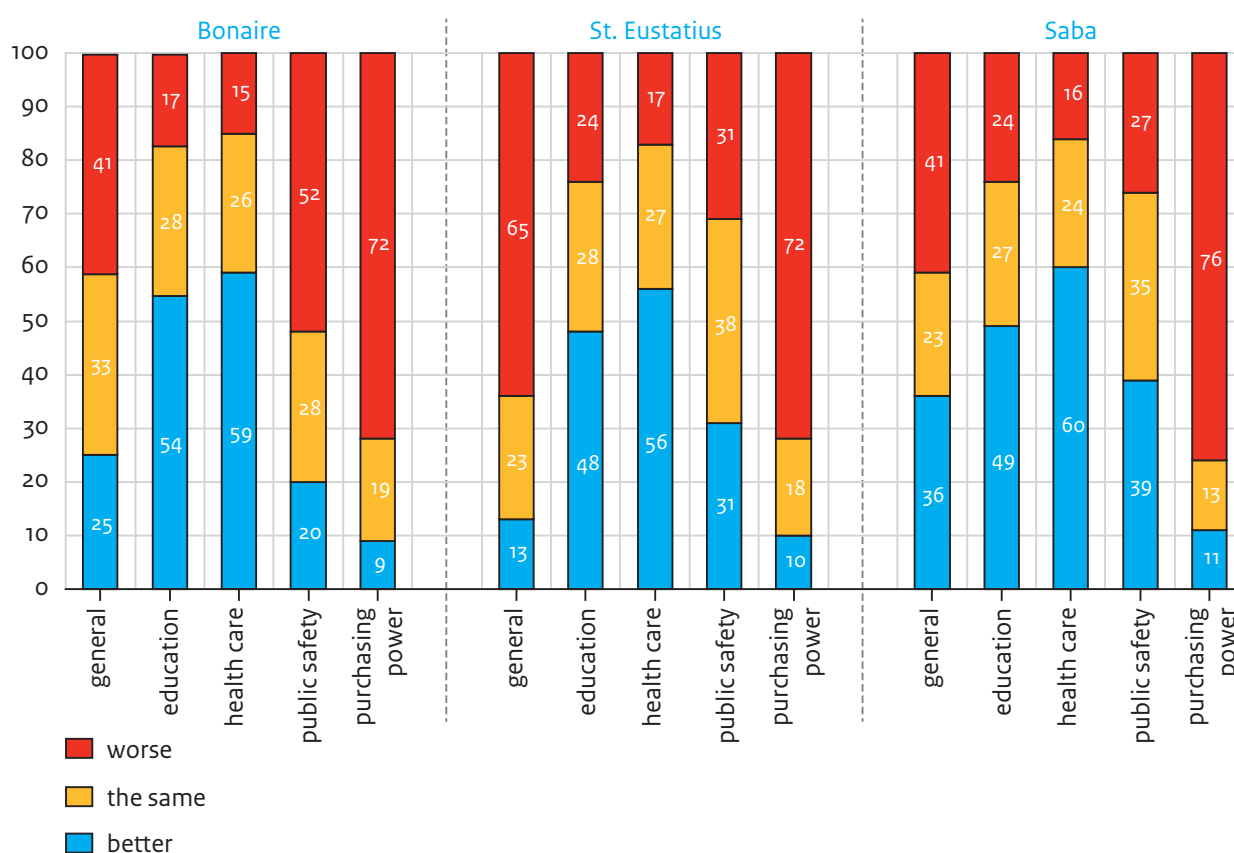
An important part of the study to determine the consequences of the transition for the population are the perceptions of citizens themselves. The opinion survey we carried out provides a broad picture of public views on the level of facilities achieved since the transition. To gain a deeper insight, focus groups were also organised on the islands, which fol-

lowed the questionnaire from the survey. Three focus groups were held in Bonaire (including one specially for parents of school-age children), and two in both Sint Eustatius and Saba.

Figure S.1 shows the improvements and deteriorations as perceived by citizens in the areas of education, health care, public safety and standard of living. The question put to respondents was: ‘Do you have the feeling that [policy domain] has got (much) better, stayed the same or got (much) worse since 10 October 2010?’. The figure reveals wide differences between the different policy domains, as well as some differences between the islands.

Figure S.1

Opinions on the improvement or deterioration of the situation in the different policy domains since 10 October 2010



Source: Curconsult (BCN'15) SCP treatment

The picture is most favourable for health care, closely followed by education. This picture corresponds with the investments made by the Dutch government in these sectors (see table S.1). Around 60% of respondents feel that health care has (greatly) improved, while around 15% believe it has (greatly) deteriorated. The differences between the islands are very small. As regards education, roughly 50% of respondents feel the situation has (greatly) improved and around 20% feel it has (greatly) deteriorated. Here again, the differences between the islands are small and not statistically significant. Respondents' views

are less positive regarding the trend in public safety on the islands, and above all regarding the development of their purchasing power. There are differences between the islands as regards public safety; in Bonaire, around 20% of respondents believe public safety on the island has improved; the figures for Sint Eustatius and Saba are 30% and just under 40%, respectively. Residents of Bonaire, in particular, thus feel that public safety has deteriorated.

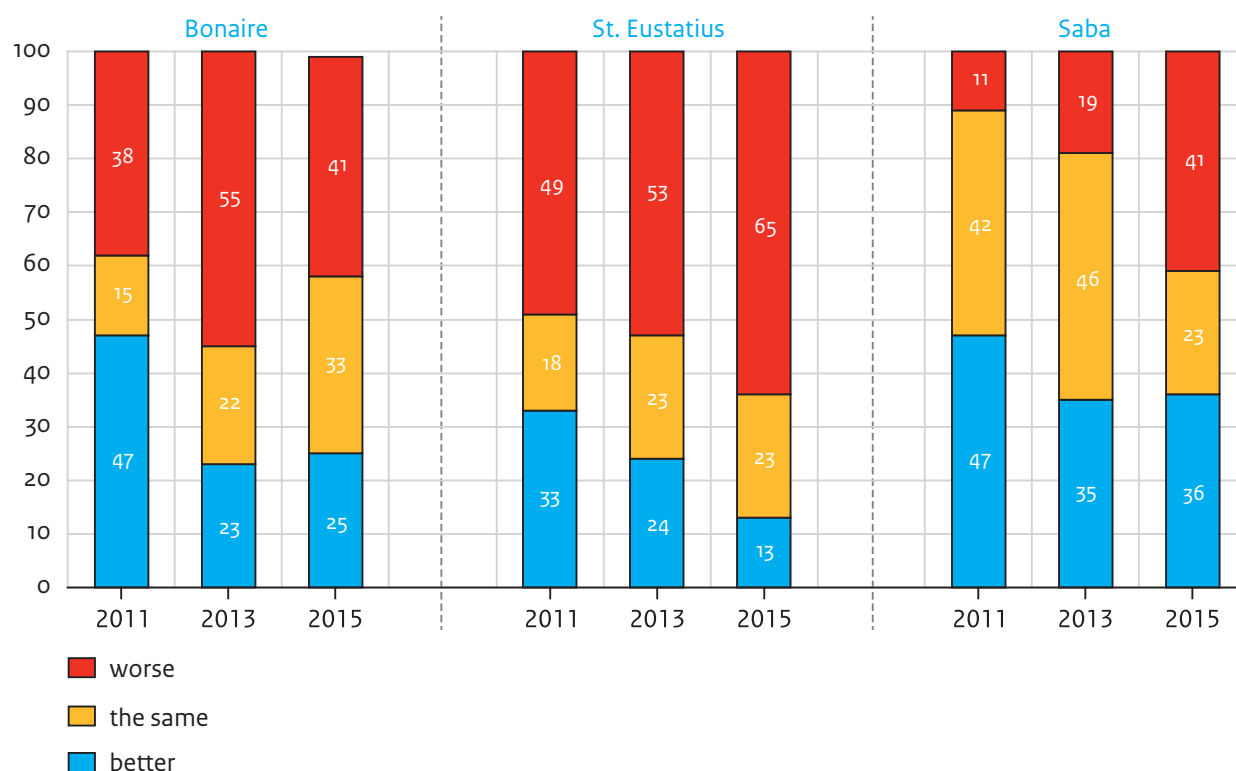
The majority of respondents on all islands feel that the purchasing power of household income has got worse or much worse: just over 70% of respondents hold this view, 20% see no change and around 10% perceive an improvement. Most island residents thus believe that their purchasing power has fallen since 10 October 2010. The variation across the different population groups is small.

As these opinion surveys have also been carried out in the past, comparisons with earlier years are possible for some topics. We made comparisons with 2011 (the first opinion survey) and 2013 (the third survey). The 2011 survey can be seen as a sort of baseline measurement, in which public expectations for a better future figure strongly. The 2013 survey can be regarded as an interim measurement midway through the evaluation. At that time, many central government provisions were in the process of being developed and the contours of the anticipated level of facilities were becoming clear.

In 2011, almost half the population of Bonaire and Saba believed that things on their island had improved following the transition (figure S.2), and a third of residents of Sint Eustatius shared this view. However, the positive opinions about the transition have fallen sharply in 2015. Only 12% of the population of Sint Eustatius believe that things have improved on their island since 10 October 2010 (compared with 32% in 2011); 25% take a positive view in Bonaire (47% in 2011), and 35% in Saba (47% in 2011).

Figure S.2

Do you think that things have got better or worse on your island since 10 October 2010?



Source: Curconsult (bcN'15) SCP treatment

Over the last two years, the positive expectations about the future of the islands have clearly moderated (figure S.3), especially in Sint Eustatius and Saba, but also in Bonaire. A minority of the island populations believe things will get better over the next five years. Where 60% of the population of Bonaire believed in 2013 that life on their island would improve over the coming five years, this had fallen to 48% in 2015. In Sint Eustatius the percentage fell from 57% to 24%, and in Saba from 65% to 39%. The proportion who believe that everything will stay the same has grown strongly, especially in Sint Eustatius, and also in Bonaire. The explanations given for these views make clear that this is not meant in a positive way.

Figure S.3

Do you think that things will get better or worse on your island over the next five years?

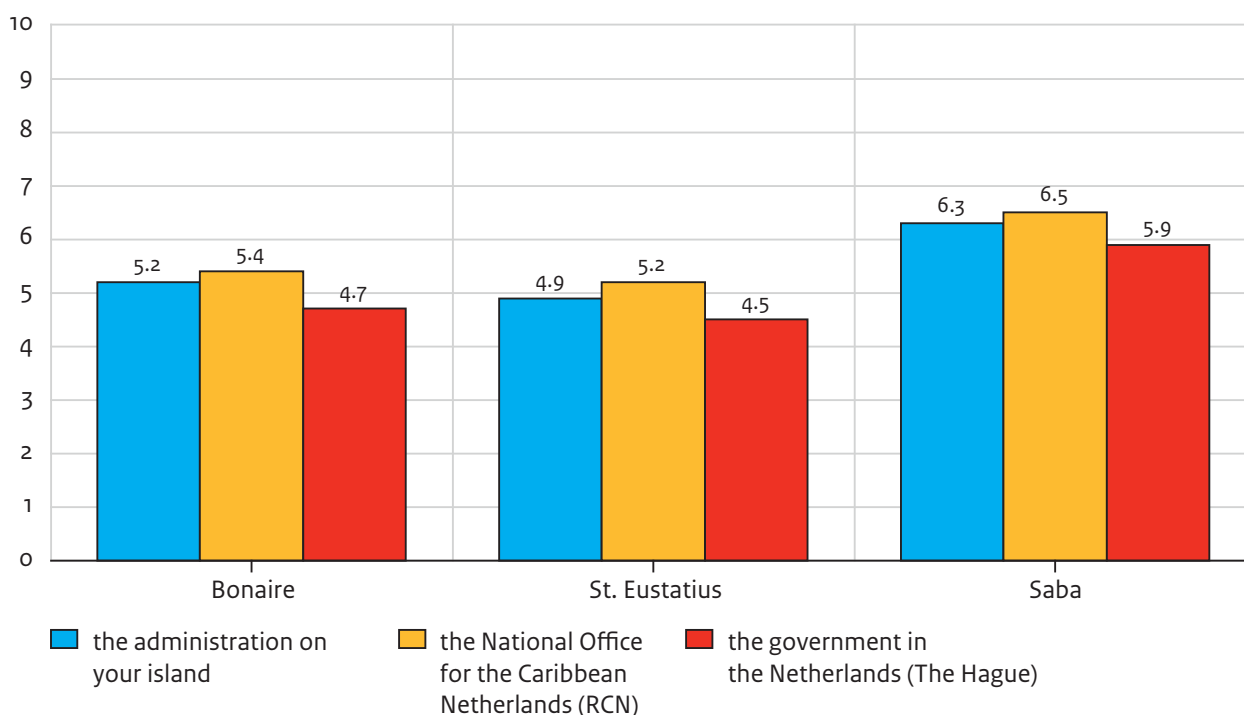


Source: Curconsult (BCN'11-'15) SCP treatment

How well does the public administration perform in the eyes of island residents? The answer is: not very well. In the opinion surveys we draw a distinction in public administration between the local administration, the National Office for the Caribbean Netherlands (RCN) and the government in The Hague. The scores awarded are below par in many cases (figure S.4).

Figure S.4

How satisfied are you with the administration (average score out of 10)



Source: Curconsult (BCN'15) SCP treatment

The figures show that the National Office for the Caribbean Netherlands (RCN) performs relatively the best and the government in The Hague the worst. The local administration sits in between the two. This is the case on all the islands. The residents of Sint Eustatius are the most negative and those in Saba are by some margin the least negative, with residents of Bonaire occupying an intermediate position. The relatively positive views on the RCN are probably related to the favourable public opinion about the advances that have been made since the transition in health care and education. There is support for this supposition in the open responses about the performance of the administration, in which respondents agree that the Netherlands is doing its best with health care and education, in particular, but that the government in The Hague does not really listen to the islands. Or perhaps the government listens and understands perfectly well, but then does nothing. Here, the respondents are referring mainly to the socioeconomic situation, which overshadows the advances in the other areas. Island residents also believe that there is a wide difference in mentality, for example about the pace of change and rules, and that Dutch people have difficulty adapting to the situation and reality on the islands. The focus group discussions also revealed a less than rosy picture of the government in The Hague. In particular, it is accused of a lack of empathy and of imposing rules that do not fit the local situation. The civil servants (ministries) and politicians in The Hague often have an inadequate understanding of or ability to empathise with the local reality, local problems and local challenges. One participant in the focus groups did however perceive greater engagement by (some members of) the Dutch Parliament, something that is appreciated.

The local administration also performs poorly in the eyes of island residents. Some focus group members felt that local administrators do not take their responsibilities, for example for social housing, and that a lack of capacity and capability means they make insufficient use of the funds that are available in The Hague. There is a general impression that the local administration is perhaps doing its best, but in the eyes of the population still does too little.

What do these findings mean for daily life on the islands? In the opinion survey, residents were asked how happy they are now, taking everything together. They could indicate this by giving a score on a scale ranging from 0 (very unhappy) to 10 (very happy). The scores reveal a rather negative picture about how happy island residents feel. The inhabitants of Sint Eustatius give roundly negative scores: some 64% feel fairly unhappy with the current situation (a score of 5 or less), and only 7% feel happy (a score of 8 or higher). Residents of Saba feel slightly happier with the situation on their island: around 41% are fairly happy and 15% are happy. Residents of Bonaire are slightly happier with life on their island than their Saba counterparts, with around 24% feeling fairly unhappy and 15% being happy.

If we look at the average scores, the residents of Bonaire and Saba just barely record 'satisfactory' scores (6 or more), but the scores for Sint Eustatius fall well short of this. The average scores turn out at 6.2 (Bonaire), 5.9 (Saba) and 4.8 (Sint Eustatius). These are low scores by Dutch standards: residents of the Netherlands generally score their life satisfaction at just under 8, and 85% of Dutch citizens say that they are happy or very happy.

Perceptions of the social situation on the islands by citizens, professionals, civil servants and administrators: the story behind the figures

The researchers spoke to citizens, administrators, civil servants, members of the business community, representatives of civil-society organisations and professionals on the three islands about the social situation on the islands and the changes that have taken place since the administrative transition. A total of 60 group and individual interviews were held with more than 150 professionals and stakeholders, and six drop-in sessions were held in which the researchers spoke to around 100 citizens. The questions in these interviews were aimed at uncovering the story behind the figures. The discussions focused on the situation before the transition, the changes that were to take place, the expectations that people had of those changes, what went well and what did not, what role the various parties played in the process, the biggest (continuing) problem areas and the expectations for the future. In addition to these questions, administrators were also asked for their views on what constitutes a level of facilities that is acceptable within the Netherlands, the specific circumstances which need to be taken into account, and the relationship between local tasks and central government tasks in relation to the priority areas.

In the report ten themes are described:

- Economic developments since 10 October 2010;
- Direct social consequences of poverty;
- Relations with the Netherlands ('us/them');
- Youth and family;
- Social security;
- Health and (health) care;
- Education;
- Language;
- Infrastructure;
- Crime and safety.

Here we present the most frequently reported findings. This is a summary of the perceptions and opinions of the respondents, with no analysis being performed by the researchers. For many themes, there is relatively little difference between the way in which citizens and professionals on the one hand and administrators on the other view the problems and developments on the islands. For a few themes, however (health care, opinions on the local administration), clear differences emerged. It should be borne in mind that many residents wear several hats, for example being both members of the island council and entrepreneurs, and of course also residents of the island.

The interviewees appear to attribute many of the problems to the transition on 10 October 2010. In reality, however, social problems existed long before then. The population of the islands has always had a low average education level, poverty also existed previously, as well as parenting problems, largely absent fathers, limited transport facilities, problems associated with the small scale of the islands, and so on. What the transition does appear to have done is to throw all of this into sharper relief, partly due to high expectations.

Social consequences of weak economic position of households

The weak economic situation and even poverty of many households has a range of social consequences. Many residents feel that their social situation has deteriorated in virtually all areas since 10 October 2010, and this view is affirmed by social and care professionals. Poverty and social problems also existed before 10 October 2010, but the situation has got worse since then. Many citizens are uncertain what the future will bring, and whether things will ever improve on their island. The researchers also encountered a good deal of dissatisfaction and anger directed towards the Netherlands, which in the eyes of residents leaves the Caribbean Netherlands socially and economically in the cold and is unwilling to recognise the great need that exists in a substantial proportion of the population. This view is broadly shared, including by professionals and administrators, and was expressed on all three islands.

High cost of living

It is often not possible for a household to live from one salary because of the high cost of living. This was reported not just by citizens, but also by many professionals and administrators. Prices in the shops have risen sharply. The costs of utilities have also increased, partly due to investments by the Netherlands (mains water network in Sint Eustatius, sewage system in Bonaire, waste incineration facilities on all islands). Some island residents therefore have multiple jobs and try to generate income in all kinds of ways. In addition to their paid employment, many people start their own small business or try to rent out apartments (especially older people with their own home). There is almost no saving. Older people are making increasing use of food banks.

Problems with young people and in families

Care and education professionals are concerned that the many hours that parents have to work mean they are devoting less or even too little attention to their children, leading to parenting problems and sometimes to juvenile crime. Young people spend much of their time on the streets and effectively bring themselves up. Since the task of parenting falls almost entirely on the shoulders of the mothers, they have a particularly full existence and experience the most poverty. Lack of money means children have few toys, something that is harmful for their development. There are growing concerns about the number of children going to school without having had breakfast.

Debts

People are borrowing money from each other much more frequently; according to support professionals, there are few households which do not have debts. This regularly leads to problems if repayments are not made or not made on time. Partly because of this debt problem, there is great dependence on neighbours and family, which can jeopardise the social cohesion of these small communities. Older people, single mothers and the chronically ill and disabled, in particular, are often dependent on family and friends because the social security benefits (old-age pension and/or social assistance benefit) are not enough to live on. Social assistance benefit is in reality intended for people with disabilities, a group for whom there are specific provisions in the Netherlands. These groups are at a far remove from the labour market and have few opportunities to earn money themselves. Although there is a debt counselling system on the islands, this is not regulated by legislation as it is in the Netherlands.

Women and children in a vulnerable position

Young single mothers remain living with their parents; grandparents share their home with their children and grandchildren. Fathers are often absent and take little or no responsibility for their children. Although this situation was reported on all three islands, Sint Eustatius stands out negatively: 80% of children on this island grow up in single-parent families.

Citizens complain that housing costs have risen sharply and are difficult for many people to afford. The amount of social housing is very limited, and also too expensive for many. The social housing sector is also facing difficulties and has too few resources to maintain the existing stock. There is also no rent benefit to help reduce the housing costs for occupants. To mitigate the living costs, several family generations therefore live together in housing that is often too small. Partly because of this, and also due to the severe socio-economic problems, there are many tensions within households and domestic violence, sexual violence and incest are rife. Although these are not issues that people find easy to talk about, health care, education and police professionals express their views very clearly: women and children are in a vulnerable position.

Perceived increase in crime

Citizens on all three islands believe that crime rates have increased in recent years, especially petty crime such as theft. There has been a striking increase in theft of basic necessities, such as food and clothing, perhaps suggesting that crime is used as a survival strategy. The willingness to report offences is generally low. Everyone knows everyone, people are related to or acquainted with each other and are therefore often inclined to look the other way. This does little to foster social cohesion on the islands.

Social problems spread to schools

The social problems at home do not remain confined to the household. Parental stress due to unemployment, poverty and lack of future prospects also has an impact on the children, who take the problems with them to school. There is a lot of aggression and unrest within schools, teachers report that the number of pupils with special needs is disconcertingly high and, taken together with the language difficulties, that impacts on learning outcomes. The nature and extent of the problems means that teaching is often very stressful.

High transport costs

The residents of Saba and Sint Eustatius are dependent on a single airline (Winair) if they wish to travel off the islands, and ticket prices, including surcharges and taxes, are very high. As a consequence, many people virtually no longer leave their island. Shopping in Sint Maarten is no longer an option for many people.

High food prices, unhealthy dietary habits

Food prices are exceptionally high. Fresh products are unaffordable for many people, partly because little or no fruit and vegetables are grown on the islands themselves. People tend to eat a very one-sided, high-calorie diet (lots of fat and carbohydrates) which is poorly balanced. These poor dietary habits are leading to a growing number of people who are overweight or obese and of associated disorders such as diabetes, cardiovascular disease and joint problems. Care consumption on the islands is relatively high. Many people can no longer afford to pay medical costs that are not covered by the basic insurance system. Since 1 January 2015, dentistry and physiotherapy are no longer reimbursed by the

basic health insurance. As people are unable to take out additional insurance, there is a danger of public health problems developing. Care professionals are also disturbed by this.

Differences between islands

The social consequences of poverty are visible on all islands. It is not possible to say whether there is a difference in the severity of the problems between the islands. The more isolated location and smaller size of Saba and Sint Eustatius makes it more difficult for residents of these islands to escape from poverty than for their counterparts in Bonaire. The labour market is small on these islands, the economic structure is vulnerable and alternative sources of income are difficult to find. The social problems, especially for children and adolescents, are felt to be relatively most serious in Sint Eustatius, where children's rights appear to be frequently violated. For example, the dominant sexual mores are harmful for children, and according to both citizens and professionals, child prostitution has increased in recent years. There appears to be more silent poverty in Saba, which does not mean that there is less poverty. On the other hand, the negative sentiment towards the Netherlands is stronger in Bonaire than on the other two islands.

Concluding discussion

The picture that emerges from this report is mixed, with both positive and negative aspects. Great progress has been made in some areas of government provision, but socio-economically the situation on the islands has deteriorated significantly. Living costs in particular have risen sharply; this has a major impact on the daily lives of residents, and has given rise to new social problems and exacerbated existing social problems. The deterioration in the socioeconomic situation overshadows, both in fact and in the perception of residents, the good progress made in the areas of health care, education and public safety. It is striking that opinions in 2015 about what has been achieved are more negative than two years ago. Poverty and the struggle to survive on the islands imposes such a heavy burden on people's daily lives that it appears to blind them to what has been achieved. Island residents accordingly rate the lives they lead with poor or moderate scores: just barely 'satisfactory' in the eyes of residents of Bonaire and Saba, but unsatisfactory for residents of Sint Eustatius. Compared with the ratings that citizens elsewhere and in the European Netherlands give for their daily lives, these are worrying figures.

The causes of the deterioration in the socioeconomic situation can be traced only partially to the administrative transition that took place on 10 October 2010. The problems with young people and parenting have always been greater on the islands than on the Dutch mainland, as has the scale of poverty. But these problems have been thrown into sharp relief, particularly by the steep drop in purchasing power after 10 October 2010. The introduction of the US dollar on 1 January 2011 and the more rigorous collection of taxes are cited as the reasons for the downturn in purchasing power, but in reality they don't adequately explain the extent of the reduction. External factors, such as the trend in world

food and energy prices, also play a part. Opinions diverge about the causes of the reduction in purchasing power, and the fact that those causes have not been properly studied exacerbates this. Sometimes blame is laid at the door of the Netherlands because of the changes in taxes and tax collection and the introduction of the us dollar; sometimes the finger is pointed at local politicians and their failure to respond adequately to the price increases; and sometimes other factors are cited, such as the lack of economic development or the islands' geographical isolation. There is in reality an interplay of factors at work, and it is too simplistic to ascribe the deterioration in purchasing power to the consequences of the administrative transition. The purported role of entrepreneurs and the business community on the islands should also be mentioned here: they raised their prices when the us dollar was introduced. The sharp rise in food and oil prices on the world market is also a contributory factor.

The consequences of the deterioration in the socioeconomic situation are worrying. Poverty has spread rapidly and reached high levels. This has contributed to an increase in crime, domestic violence, sexual violence against women and children, overcrowded housing and lack of hope. Poverty explains the social problems, but can of course never justify them; residents have their own responsibility here, and it is not enough simply to point an accusing finger at others, especially the Netherlands.

While it is true that on paper the island administrators have primary responsibility for combating poverty and for employment, important policy instruments are in reality in the hands of the Dutch government, which has stuck closely to the principle of legislative reticence in these areas. The conditionally promised improvements in social security have not yet been achieved. It is possible to question the wisdom of sustaining a system which falls so far short of the Dutch system, thereby forcing large sections of the population to live below the subsistence minimum. The social consequences of poverty impact on all the other priority areas, especially health care, education and public safety, but also on social cohesion on the islands.

This report focused on the situation in relation to five priority areas, within the context of the prevailing economic situation. However, it became clear during the study that the situation in four domains helps determine the outcomes achieved in the priority areas. We are referring here to the consequences of poverty, the situation in relation to youth and family, the language issue and the administrative relations. Poverty on the islands has led to an increase in the social problems within families. Parents are more often working two jobs, and therefore devote less attention to their children. This in turn leads to more domestic violence, more complex problems at school, more crime, etc..

The language issue also affects all the priority policy areas. Discrepancies between the language used at home and the language of instruction and examinations at school put children at an educational disadvantage. Language can also lead to communication problems

when patients travel abroad for medical treatment, and can lead to problems with the police and in judicial matters, where Dutch is the official language.

Finally, the functioning of the local and Dutch administrations helps to determine the social and economic outcomes. Both citizens and professionals are fiercely critical, not just of the Dutch administration, but also of their own local administration, which they accuse of falling short on a number of points or being too indecisive. Citizens also refer to nepotism and a democratic deficit, which in the last elections was reflected among other things in a large number of bought votes.

The islands are confronted with special circumstances and a weak starting situation for the transition. Those special circumstances, such as their small size, geographic isolation, heavy dependence on imports, low education level of the population, economic vulnerability, relatively weak governance, lack of continuity in senior management positions, the vulnerable position of children and the large number of single-parent families, make the islands and their residents exceptionally vulnerable. Those circumstances have not changed simply because the islands have become a special part of the Netherlands.

The documents show that the configuration and development of facilities generally do not explicitly take into account the potentially important special circumstances, and often fall back on formulations as set out in the Statute for the Kingdom of the Netherlands. Whether and to what extent certain circumstances play a role in practice in achieving a level of facilities that is acceptable within the Netherlands is considered to only a limited degree.

Before the transition it was agreed that the aim should be to achieve a 'level of facilities that is acceptable within the Netherlands' on all three islands, which is appropriate in the region, reflects the islands' integration into the Dutch state system and is appropriate for the island residents. From our interviews it is evident that this starting point created different expectations, and proved to be fairly unworkable in practice. The agreements which stemmed from this principle are sometimes very modest and sometimes dynamic. In the area of social security, the aims were very modest; the Netherlands was more dynamic in configuring the public safety facilities, and even more so with regard to education and health care. However, it is not clear from the documents studied what prompted these differences in dynamism. No overall vision was developed regarding the level of facilities to be achieved. The agreements made were very much driven by individual ministries, with no integrated plan or approach to the development of the Caribbean Netherlands. Each ministry brought forward its own ideas, plans and budgets for the islands. The islands had to consult on these with the individual ministries, but also had no central point of contact themselves, in the way that the Association of Netherlands Municipalities (VNG) functions as a contact point for municipalities in the European Netherlands. A 'CN week' is held annually, in which (representatives of) island administrations consult with the different minis-

tries in The Hague in order to formulate a broad agenda for the further development of the islands, but in these consultations, too, the main focus is on the individual ministerial perspectives.

The island residents had high expectations – perhaps too high in the view of the European Netherlands. The transition failed to match those expectations sufficiently. That is due first and foremost to the existing lack of prosperity and the limited role assumed by the European Netherlands in the socioeconomic development of the islands. Although residents love their islands, they have become more sombre in recent years. The opinion surveys show that public opinion on developments since the transition, as well as the expectations for the next five years, have turned much more negative on all three islands. The negative sentiment is gaining more and more ground, including with respect to the Netherlands. It is not only residents, but also professionals working in the priority areas who are critical of the Netherlands, particularly as regards the socioeconomic situation. They are disappointed about what they see as a failure by the Netherlands to understand the critical situation on the islands. This occasionally leads to calls for more independence for the islands, both relative to the Netherlands and to each other. At the same time, there is a realisation that the islands will never be able to be entirely independent. The Netherlands is financially necessary, because the islands receive considerably more financial support from the Netherlands than they raise from their own resources.

This brings us to the final question: has what was agreed been achieved? In the areas of health care, education, public safety and infrastructure, a great deal has been achieved. There are still some areas of concern, but these are due mainly to the specific circumstances on the islands, such as language and pupils with special needs, medical treatments abroad and the availability of dentistry care, the high turnover of teaching staff, medical professionals and civil servants, and the brain drain as young people leave the islands to enter higher education elsewhere. Socio economically, however, a great deal remains to be done.

The socioeconomic malaise does much to negate the progress in the other areas. If poverty is reduced, the social problems will also ease. This in turn will place the results achieved in the areas of health care, education, public safety and infrastructure in a better light. That would also increase the confidence of citizens, professionals and administrators on the islands, and therefore help open up the prospect of a better future. The multi-year programme for the Caribbean Netherlands for the period 2014-2016, which was adopted in June 2015, offers a good starting point for this. Under this programme, the local administration and the government in The Hague will work together to combat poverty, improve the economic situation and respect children's rights.