

The Research Group

Cosmopolis Centre for Urban Research

has the honor to invite you to the public defense of the PhD thesis of

Laura Deruytter

to obtain the degree of Doctor of Sciences

Title of the PhD thesis:

**The repurposing of utility companies in Flanders:
Institutional bricolage by the local state under budgetary restraint and
financialized capitalism**

Promotor:

Prof. dr. David Bassens (VUB)

The defense will take place on

**Friday, August 19, 2022 at 15h in the U-
Residence**

Contact laura.deruytter@vub.be to register for the
livestream.

Members of the jury

Prof. dr. Nele Aernouts (VUB, chair)

Dr. Reijer Hendrikse (VUB, secretary)

Prof. dr. Didier Caluwaerts (VUB)

Prof. dr. Manuel Aalbers (KU Leuven)

Prof. dr. Stijn Oosterlynck (Universiteit
Antwerpen)

Prof. dr. Heather Whiteside (University of
Waterloo)

Curriculum vitae

Laura Deruytter studied Geography at Ghent University and The University of Nottingham. Following researching and campaigning at an NGO, she joined the VUB as an FWO Fellow with the project 'Financialisering à la belge: mapping the changing nexus between finance and local governments'. Next to teaching, she was member of the editorial board of AGORA, Dutch-Flemish Magazine for Socio-Spatial Issues

Abstract of the PhD research

Around the world, banks and pension funds are replacing governments in local utility provision. Political economists consider this shift as a process of financialization, whereby logics of financial markets, such as return on investment, increasingly dominate societal logics, such as affordability. Yet, little is known about the role of local governments in utility financialization. The Flemish region offers an insightful case study in that regard: for the past 100 years, intermunicipal companies – companies owned by multiple municipalities – have been key instruments for investment in energy and water distribution. Are these public utility companies becoming financialized, and what is the role of municipal owners in this process?

To answer this question, this dissertation brings into dialogue insights from political economy, financial geography and state theory. In four empirical chapters, I examine the changing relations between municipalities, intermunicipal companies, higher-level governments and financial markets. By drawing on 40 interviews, (inter)municipal financial data and government documents, I analyse these relations from for the periods 1920 to 2000 and 2000 to 2016, and through two case studies in the energy and water sector.

As in other countries budgetary pressure and market-oriented reforms are changing the financial relations between Flemish municipalities and public utility companies. Yet, although financial market logics are become more prominent, these logics do not completely overhaul the management and municipal ownership of utilities. Shaped by historical political compromises, municipal policies are re-purposing intermunicipal companies to pursue a range of governing logics, including the provision of essential services, the search for local economic growth and the optimization of shareholder value. The dissertation shows how financial logics can develop within the state and that local governments play an active role in 'bricolaging' governing solutions in a changing political economic context. As a policy recommendation, I call for more attention to the financial dependencies and contradictions between municipalities, higher-level governments and state-related entities, and the provision of structural funding for energy and water provision as essential services to society.