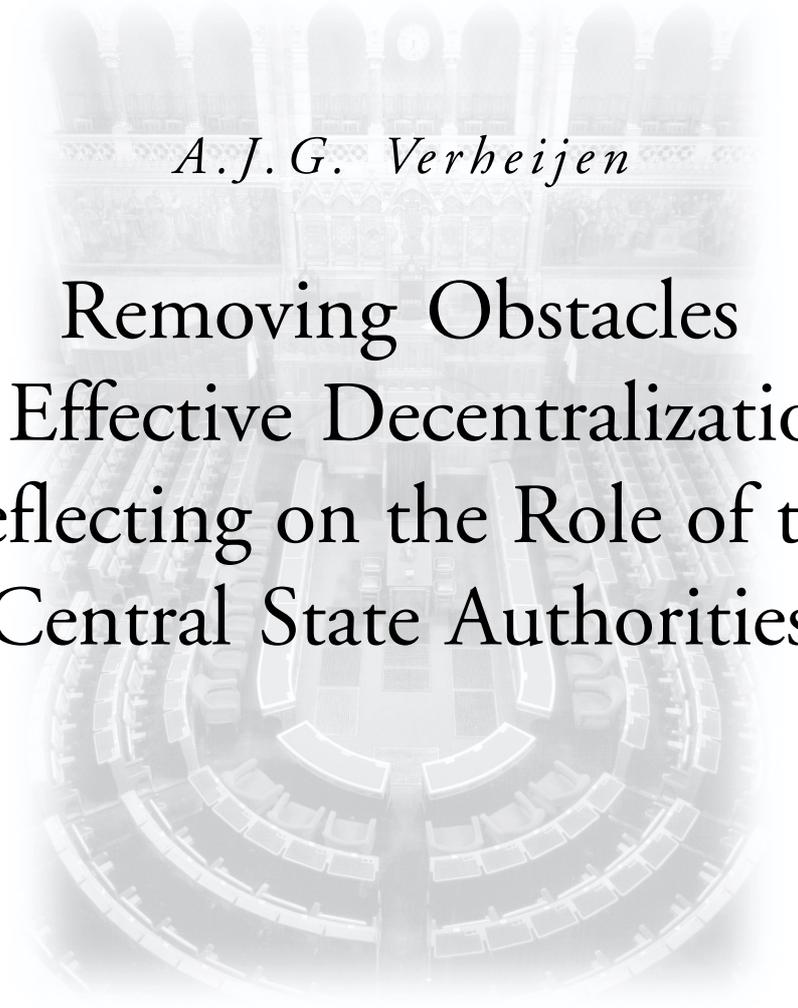


DECENTRALIZATION AND PUBLIC ADMINISTRATION REFORM



A.J.G. Verheijen

Removing Obstacles
to Effective Decentralization:
Reflecting on the Role of the
Central State Authorities

MASTERING DECENTRALIZATION
AND PUBLIC ADMINISTRATION REFORMS
IN CENTRAL AND EASTERN EUROPE

Removing Obstacles to Effective Decentralization: Reflecting on the Role of the Central State Authorities

*A.J.G. Verheijen*¹

INTRODUCTION

Decentralization policies in Post-Communist states are hampered by a lack of comprehensive approaches to the definition of the architecture of the state. Whereas much attention has been devoted in the literature on decentralization to the optimal size of local authorities, the definition of the number of levels of government, models of financial and fiscal relations between levels of government and the legal basis for local government, there are few examples as yet of comprehensive processes of reform. Such comprehensive processes would include the review of the allocation of functions across levels of government, the design of a clear architecture of the state administration across levels of government. These are design issues to be undertaken *as a basis for and over and above* the development and implementation of the necessary ‘technical’ elements that make the system function and deliver services effectively, such as the system of fiscal intergovernmental relations.

The lack of attention for systemic aspects of public administration development is due in part to the lack of reflection on the role of the state in Post-Communist states, with reforms and re-allocation guided by a mixture of ad hoc decisions and, in some cases, perceived requirements of EU accession. It is also due to the lack of a comprehensive approach² to central government reform, which only in the last 3–4 years has started to emerge as an important issue on the political agenda of the states of Central and Eastern Europe. However, the increased attention for this area of reform does create an opportunity to re-visit some of the more fundamental questions that continue to hamper the creating of effective and efficient systems of public administration.³

This paper addresses the link between overall government reform and successful decentralization and reflects on how decentralization policies can be better ‘embedded’ in overall administrative development strategies. This paper draws on the conclusions of two recently published UNDP publications, ‘Rebuilding State Structures, Methods and

Approaches’ (2001) and ‘Recreating Effective government, Local Level Initiatives in Transition’ (2002), which both address these questions more in depth, as well as on earlier work by the author.

LINKING THE WORLDS OF ADMINISTRATIVE REFORM AND DECENTRALIZATION

Administrative reform and decentralization are often treated as rather separate elements of institutional reform processes, even if they are clearly and indisputably linked. In central Europe, for instance, much of ‘administrative reform’ in the early 1990s was in fact decentralization and local government development, as politicians and citizens alike turned their back on discredited central state structures. When reforms in the area of decentralization stalled in many states of the region in the mid-1990s (with the exception of Poland), attention shifted to central government reform. This was due to some degree to the issue of ‘administrative capacity’ arriving on the EU enlargement agenda after 1995, but also due to the increasing realization that strengthening the system of central government is a key condition for the development of effective and efficient local government [see UNDP, 2002, chapter 4]. As a cross-cutting issue, sectoral institution building requirements for EU membership have in recent years driven a more sectoral approach to administrative development, thus reducing to a certain degree the attention both for horizontal administrative reform issues and for general issues related to decentralization policies. ‘Institution building’ in the sectoral sense has become a category of administrative reform of its own in many candidate states, often managed again by a different institution to those responsible for general administrative development and decentralization, and thus further reducing the chances for a successful overall reform of administrative systems.

Therefore, even if all three elements of administrative development, local, central and sectoral, have at times

featured as important issues on the political agenda of Post-Communist states, they have rarely been addressed together and holistically, except maybe in institution building plans.⁴ Institution building plans became an additional requirement for candidate states in 1998-1999. They are now a mandatory element of the documents candidate states have to submit to the EU on a regular basis, much in the same way as the National Programs for the Adoption of the Acquis. However, in most EU candidate states these have remained relatively low-key planning tools,⁵ and for other associated states they are not yet an integral part of the association process. In many cases, responsibilities for central government reform, decentralization policy and the management of institution building plans are even institutionally separated. In particular in states where EU accession is a key priority, however, the three areas should be clearly and explicitly linked, as the EU will assess the quality of the administrative system as a whole, and in particular the strength of the linkages between levels of government. Two important illustrations of the above are the system of checks and balances, in particular in the area of financial control and oversight, and systems for cooperation in decision-making. The latter is important both in terms of the way regional development resources are planned and, ultimately, in the extent to which local governments are effectively involved in EU decision-making.⁶ However, attempts to sensitize governments to the importance of integrating central government reform, decentralization policies and sectoral institution building strategies in a holistic approach to institutional development [see for instance OECD, SIGMA papers 23 and 26, 1998 and 1999] have generally not led to changes in the way these issues are being handled.

Apart from questions related to the architecture of government, there are additional questions of importance that link central and local government development. As an example, the degree to which the central policy on civil service employment conditions is mirrored and local level and the extent to which civil service systems are integrated across levels of government have fundamental repercussions on the ability of local governments to attract and retain qualified staff [see UNDP, 2002, chapter 3]. This issue will be discussed less comprehensively as a general review of civil systems in the region is included in a different section of this publication [see Beblavy in this volume].

STRUCTURAL PROBLEMS IN PUBLIC ADMINISTRATION AND THEIR IMPLICATIONS FOR DECENTRALIZATION POLICIES

Systems of public administration in Central and Eastern continue to show various structural problems, which are found with a surprising level of consistency among states in the region. Many of these problems are due to the fact that many of the structural flaws that characterized systems of public administration under the previous regime have not been adequately addressed during the last decade. A recent UNDP publication 'Rebuilding State Structures, Methods and Approaches' [UNDP, 2001] provides an analysis of these structural problems. Many of these issues also constitute a serious impediment to the successful implementation of decentralization policies, which therefore are unlikely to succeed unless these underlying problems are addressed. The five main structural problems as discussed in the UNDP advocacy paper⁷ are the following,

- A clear conception of the role of the state is missing;
- Leftover elements of the previous system limit the possibility to re-orient budgetary allocations;
- Low vertical coherence creates scope for ad-hocracy and reduces reliability and predictability of government actions;
- Weak inter-sectoral co-ordination limits government abilities to adopt strategic reforms;
- Mechanical and technical approaches to public administration continue to prevail.

A Lack of Progress in Rethinking the Role of the State

The lack of a clearly defined concept of the role of the state is a first and key issue that hinders both the development and implementation of public administration reform overall and has strong repercussions for the success or failure of decentralization policies. There is no longer a strong over-arching ideological 'drive' to reduce the role of the states, as the strong neo-liberal influences that dominated the political agenda in Central Europe and parts of the former Soviet Union in the early 1990s have gradually waned. However, there has not been as yet a clarification of thinking on the role of the state, in particular in social and economic policy areas. The UNDP publication 'The Shrinking State' (1997) possibly captures best the general trend of 'unorganized state withdrawal' from key social policy areas, driven mainly by concerns over dwindling resources. If there is no clarity over what the

state will provide and under what conditions, how then can one think in terms of effective decentralization? One of the reasons why local governments, and in particular self-governments, have been left with ‘minimal packages’ of tasks is that where there is no consensus on the role of the states, it is impossible to define what level of government should undertake what task. One way governments have found their way around this ‘dilemma’ is to transfer functions to lower levels of government, in particular self-governments, without increasing significantly transferred resources, so-called non-funded mandates, which ultimately may lead to the delivery of many services, but in a highly inadequate way. Another approach that has been widely practiced is mandatory across the board reductions in staff, applicable of course mostly to local state administration structures. By and large this has had a similar effect to creating non-funded mandates: key-underlying imbalances (mandated services versus resource base) are exacerbated rather than mitigated.

In most states of Central and Southeastern Europe EU membership obligations provide some degree of counterbalance to the general lack of strategic thinking about the role of the state. National systems have to then be built around these EU obligations. However, even in these states numerous choices remain, for instance about health, education and social welfare systems, where EU competencies are relatively weak.

‘Leftover’ Elements of the Previous System Reduce the Scope for the Re-allocation of Scarce Resources

The continued presence of leftover structures from the previous system of governance is a second serious impediment to reforming current systems of public administration and freeing up resources to fund functions transferred to local levels of government. The involvement of Public administration in economic management under the previous regime created the need to develop a number of administrative structures to support that role. These include economic branch ministries that controlled state enterprises as well as units in finance ministries that worked on budget calculations for such ministries. One may have expected that such structures would have disappeared ten years after the start of the transition to a market economy. Other structures, such as printing and publishing facilities, research institutions attached directly to ministries, and credit and loan management institutions, could also have been either privatized or abolished. However, the functional

review conducted in Slovakia in 2000, for instance, found that many of these types of institutions were in fact still in place [UNDP, 2001, chapter 1]. Recent budgetary problems in Poland, where the new incoming government found a deep hole in public finances upon taking office, have been widely blamed on the lack of systematic restructuring of state structures and the continued operation and budget funding for a large array of agency structures. The widespread existence of such institutions can pose a serious hindrance to economic development uses much needed budgetary resources. This is in stark contrast to the apparent inability of the state to properly fund mandates transferred to local government structures.

Functional reviews conducted in various states have been useful in identifying redundant structures and make arguments for their closure. However, unfortunately the same functional reviews generally have not gone beyond the central level of government. A review of local state administration structures could have identified further scope for rationalization of the central state administration and for re-considering the allocation of functions between levels of government. Bulgaria is one of the first states to take this type of approach to administrative reform and is planning a review of the division of functions across levels of government, but this remains an exception in the region, with Kazakhstan as the only further example of a state engaged in this kind of process.

Lack of Vertical Coherence in Policy Sectors Reduces Reliability and Predictability

A further common feature of systems of public administration in Central and Eastern Europe is the lack of a clear system of inter-institutional relations inside policy sectors. Modern systems of public administration are generally built on a clear distinction between types of institutions in any given policy sector, with related systems of accountability. Generally the following types of institutions are distinguished:

- Policy-making institutions;
- Regulatory and licensing bodies;
- Supervisory bodies;
- Inspections;
- Service delivery institutions;
- Institutions under tutelage.⁸

Institutions should preferably perform only a single type of function and a clear and well-defined system of reporting

and accountability has to be in place. The development of a rational system of division of functions across institutions is also a key condition for the creation of a working system of local-central government relations. For instance, the development of clear lines of responsibility and accountability between school inspections (as part of the state administration) and locally managed schools is key to a well-run education system. If, therefore, there is no clearly defined role and position for supervisory, regulatory and other types of administrative bodies, and of their relations to local self-governing authorities, this leaves local governments open to ad hoc and unpredictable decision-making by such authorities. This risk is even greater if the independence of inspections and regulatory bodies is in doubt. Informal pressure and 'instructions' by central authorities are often quoted as some of the main reasons why local self-governments are not able to fulfill the role legislation provides for them [see for instance Verheijen and Coombes on Bulgaria, 1998], and much of this could be avoided with a rationalization of the system of central state administration. This risk is particularly strong in systems where local self-governing authorities carry out a large array of functions on behalf of the state.

Weakness of Inter-sectoral Coordination Makes the Adoption of Strategic Approaches More Difficult

In addition to the lack of a clear organization and transparency in the organization of policy sectors, there is the added complication of weak horizontal management systems in state administrations. Formerly horizontal management was largely performed by Communist Party structures, where sectoral inputs were integrated into state policy. The disappearance of the Party from the system left public administrations virtually without any horizontal management systems. Little has been done to replace these systems. One could argue that weak inter-sectoral coordination could in fact be an advantage to local self-governing authorities, as it may improve the ability of local governments to 'play' state institutions against each other, and thus possibly increase freedom of action. However, in reality weak systems of inter-sectoral coordination are bad for local governments. Strategic decisions on decentralization, which are always difficult to make, require consensus to be taken and have generally to be enforced by the line ministries. This gives central authorities two 'windows' to delay and obstruct strategic decisions on decentralization. In first instance, the need to build agreement across the government in systems that still operate in a highly top-

down fashion is extremely difficult. In addition to the problems of low capacities in administrative coordination, brought out by virtually any analysis of systems of public administration in the region, the fact that most EU candidate states have political systems that rely on coalition governments makes the adoption of strategic decisions extremely difficult.

The process of decision-making over decentralization in Slovakia (2000–2001) is a painful example of how administrative obstruction and unwillingness to forge political compromise can delay, and almost destroy an ambitious policy of decentralization. Even if the process of preparing the decentralization strategy was taken out of the administration to avoid administrative obstruction,⁹ in itself an indictment of the Slovak policy-making system, the subsequent phase of (political) decision-making dragged out the process. Finally, the whole project almost failed to be adopted in time for it to be completed during the current government's mandate.¹⁰ Political priorities clearly overrode economic rationale,¹¹ with only the threat of a government collapse finally saving the decentralization process.

Problems of enforcement of decisions can further hinder effective decentralization. Decision-making systems in Central and Eastern Europe are notorious for their implementation problems. In many states this is largely due to a lack of a well-functioning system of monitoring implementation, which is an additional element of weak coordination capacities. This is a point repeatedly stressed by the EU in its annual assessment of administrative capacities. Therefore, even if strategic decisions are taken, the implementation process provides many opportunities to those that feel their objectives have not been met to delay the implementation of government decisions. This problem affects decentralization in particular, as government officials are rarely enthusiastic to lose their control over policy areas. Therefore, even if weak systems of inter-ministerial coordination might at first glance constitute a possible opportunity for local governments, in reality they are likely to hinder the implementation of the very strategies and legislation that should empower local self-government.

Limited Strategic Capacity Leads to Over-reliance on Outsiders

Reviews and reports on public administration in the region all point out the problem of policy-making capacity. Public administrations in Communist states used to be mainly implementation machines, with little or no role in policy

formulation. The role of public administration in the new systems of governance in the region should be fundamentally different to that under the previous system, but in reality there appears to be little change. The lack of policy-making capacity is reflected in virtually all assessments of administrative capacity in the region, and was, for instance, included as a key issue to be addressed in the revised accession partnership between the EU and Bulgaria.

In terms of the scope for the development and implementation of decentralization strategies this can again pose serious problems. Politicians in many states have tended to take sensitive and difficult policy-making issues out of the administration and have entrusted them instead to either local consultancy firms,¹² or entrusted them to specially created units or capacities under direct supervision of a minister. This type of practice can make sense to overcome bureaucratic resistance. However, as the well-known example of public administration reform in the UK shows [see, for instance, Metcalfe and Richards, 1988] it is important to at least to some degree co-opt officials in order to ensure the implementation of complex reforms. The development of legislation to put into practice strategic objectives will inevitably be the responsibility of officials, except for very exceptional cases. Strategies that are seen by officials as externally imposed have a much greater chance of being 'sabotaged' in the implementation process. The lack of strategic capacities in the administration, often cited by politicians as a key reason for placing the development of strategic policy documents outside the administration, therefore in the end greatly increases the chances of strategies remaining just that.

Conclusions: The Problematic Nature of Structural Reform and its Implications for Decentralization Policies

The above set of complex and interrelated problems has not been fully addressed by any state in the region. Yet, as the above analysis has shown, these problems need to be dealt with if the decentralization processes in the region are to be more successful. Several factors reduce the scope for the adoption and implementation of structural reforms in the region.

First, there is the multi-faceted nature of structural reform. Structural reform involves the re-definition of the role and position of ministries, they're subordinated organization, the core executive unit(s), and local self-governing authorities.¹³ This is of particular importance in Central

and East European states as there are a number of fundamental 'system values' that need to be changed. For instance, core executive units of the administration used to 'shadow' line ministries under the previous regime and play a dominant role in the process of policy co-ordination. Policy processes were therefore 'top heavy', based on co-ordination at the top, and ultimately controlled by the Communist Party. Core executive units also tended to manage large numbers of subordinated institutions. Ministries in turn had direct responsibility for the management of a plethora of subordinated bodies, including often state enterprises and other institutions that in a market economic either belong in the private sector or, at the very least, in the 'third sector.' Local self-governing authorities did not exist at all, and the development of a workable system of relations between central governments and local self-governing authorities possibly requires the greatest change in administrative culture in the whole restructuring process.

A second element of complexity is the need for radical change in accountability systems, which has both institutional and cultural implications. In the past, accountability lines were directed towards the leading political party. Changing a system based on a single hierarchy with single accountability lines to a complex accountability system with various 'centers to which institutions report is a highly difficult task. In particular, the development of a system where the activities of local self-governing authorities are subject to ex-post legality control only, away from a tradition of ex-ante controls or 'veto-rights' for appointed higher level officials, goes beyond merely adopting legislation, mentality changes are much more difficult to come by than changes in legislation.

During the last few years initiatives have been taken in several states to come to a more comprehensive approach to structural reform. One method applied has been the use of framework laws to regulate the role and function of the different institutions in the administration and to rationalize their operation. For instance, in Bulgaria a Law on Public Administration was adopted in 1998, defining the type of institutions that can exist in the state administration, and their relations of accountability. Other states have also taken initiatives of this kind in recent years, such as Latvia and Lithuania. Slovakia has defined a package of laws and regulations, which is in the process of being adopted. The clarification of the role and function of the different parts of the state administration is relevant for local self-governing authorities. It provides them at least with an understanding in principle of their own rights and obligations towards the various state structures, and,

in an ideal situation, with enforceable rights. The development of legislation to regulate accountability systems could in this way help to overcome at least the problems of vertical fragmentation.

THE ROLE OF CIVIL SERVICE REFORM

Whereas the implementation of structural reform in the central state administration could provide much better conditions for the successful implementation of decentralization policies, there is also an important linkage between civil service reform and decentralization. As will be argued in this section, building local government capacities goes beyond putting in place training systems for local governments. Whereas I would not in the least dispute the importance of high quality and tailor made training programs to build up local government capacity, this alone is not a sufficient condition for creating strong local self-governing institutions. The development of suitable employment conditions (in terms of remuneration and career possibilities) is a second necessary condition for building strong local self-governing institutions, and thus ensuring effective decentralization.

In fact, the link between civil service reform and decentralization is not often explored. Civil service reform is most often seen as a matter for the central government administration, and as not directly relevant to decentralization policies. However, the development of civil service systems can provide both incentives to the development of professional capacities at local level as well as impede the creation of a professional cadre of local government officials.

The link between civil service development and local capacity building lies largely in the question how the central civil service law is linked to local government employment conditions. Three possible scenarios can be considered in this respect.

The first scenario is a full de-linkage of local and central government employment conditions. This provides the best guarantee for autonomy to local authorities in terms of setting employment conditions for their own staff, thus safeguarding the independence of local self-government. In this case, the adoption of a central level civil service law will have no implications for local self-government staff. However, if no over-arching regulation of local government employment conditions is put in place, this will make it impossible for poorer municipalities to attract adequate staff. This can also lead to a departure of talented

officials from self-governing authorities to local state government authorities on the same territory.

The other extreme, a fully integrated civil service system,¹⁴ in which employment conditions for civil servants at central and local level, including local self-government, are regulated through one set of rules, provides potentially better employment conditions for local self-government officials.¹⁵ However, this is achieved at the cost of a loss of budgetary autonomy for local governments. In addition, the problem of a 'brain drain' from local to central level is difficult to prevent in this kind of system. Unless there is an obligation for civil servants to spend at least part of their career at local level (a two-way mobility), civil servants at local level will merely hope to use the integrated system of employment conditions as a launching pad for a central government career. The potential advantage of this kind of system remains that local self-governing institutions can at least temporarily attract qualified staff, but a high level of turnover is inevitable in this case.

A third possible option is the parallel development of legislation regulating the employment conditions of central and local government officials. The success of this kind of model depends on the extent to which fiscal relations between levels of government are adequate to ensure that the law on local government employment conditions can be implemented regardless of the size and location of the local government.

There are few examples of states that have tried to relate civil service reform at central government level to employment conditions at the level of local self-governments. The trend in the region has rather been the inverse. Civil service laws have increasingly focused on defining a core civil service, incorporating mainly managerial and policy staff at central government level and senior management staff at the level of subordinated bodies [see for instance, Reinholde and Jansone *in* Verheijen, 2001]. Whereas earlier versions of civil service laws in the region tended to be more inclusive in nature,¹⁶ at least as far as officials in the central government and subordinated bodies were concerned, the more recent laws have focused on improving employment conditions for smaller categories of staff, leaving most public officials outside the remit of the Civil Service system. Staff of local self-governing authorities generally do not enter the picture at all. Among the EU candidate states, Lithuania is the only state that has adopted an integrated civil service system, including local self-governing authorities, but even in this case amendments to the Civil Service law will in all likelihood

reduce the impact of the law on local self-governing officials. The Lithuanian case, however, did provide an interesting example of how a balance could be struck between local autonomy and the principle of integrated civil service, providing for a central definition of employment conditions with local autonomy in the hiring process, of course within the limits set by the law [see Lazareviciute, Tirviene and Poniskaitis *in* Verheijen, 2001]. Kazakhstan is the only other state as yet to experiment with an integrated civil service system. However, since the role of local self-governing authorities is still limited in Kazakhstan,¹⁷ this example is for now less relevant. The one important lesson that can be drawn from the Kazakh case, however, is the difficulty of implementing a system based on unified salary scales in a state where economic disparities are wide. Interestingly, this could actually put cities and larger towns, where life is more expensive, at a disadvantage in attracting qualified officials.

It is urgent that those designing decentralization strategies do reflect on the issue of local employment conditions. The argument that this should be a matter of local autonomy does hold much value in states where disparities are wide and local government revenues unstable. The development of capacities at the level of local self-governing institutions should be a matter of interest of central government, and employment conditions are a central issue for discussion in this context. However, looking at the professional and academic literature on this subject, little attention has been devoted to this problem. Capacity development through training appears to have been the main and almost exclusive focus of thinking on this issue.

As discussed above, the development of integrated Civil Service Systems may not be a miracle cure for the low level of competitiveness of local authorities, especially in the current context, where Central and East European states are moving towards the creation of ever more narrowly defined Civil Service Systems. However, other means are available to address this problem. The creation of a law on employment conditions of local self-government staff, mentioned as an option above, could create a more competitive system of local self-government. Many EU member states have such arrangements in place. Such legislation should obviously be prepared in close consultation with associations of local governments. It is important to cost of the implementation of such laws, and to make provisions to address regional disparities, as these tend to be significant in the region. Furthermore, for legislation on local self-government employment conditions to work, it is essential that the cost of employing staff is properly integrated in

the system of intergovernmental transfers. This would ensure that even small municipalities could afford minimum staffing levels, while encouraging them, through fiscal incentives, to set up joint administrations.

Innovative solutions are required to address the problem of staff capacities at the level of local self-governments. This requires urgent reflection on the problem of creating employment conditions that can attract qualified staff. If decentralization policies are to have better results, the factor of staff quality needs to be given more attention.

THINKING ABOUT LOCAL GOVERNMENT IN ADMINISTRATIVE REFORM PROCESSES: CREATING BETTER CONDITIONS FOR SUCCESSFUL DECENTRALIZATION

This paper has looked at the issue of integrated public administration development. Central government reform, decentralization and sectoral institution building for EU membership continue to be ‘separate worlds’ in many ways, even if all three would benefit from a more integrated approach. decentralization will not fully succeed unless central government reform issues are addressed in parallel, while success in sectoral institution building is dependent on progress in both central government reform and local government development. Reforms at central level, especially when concerned with the transfer of functions, will be blocked if local government capacities are insufficient to take on those tasks that central government needs to transfer.

The above argument has been illustrated by reviews of two key areas of public administration reform and their relevance for the successful implementation of decentralization policies. Some of the key structural problems in central government reform have serious implications on the chances for effective decentralization. Issues such as horizontal and vertical fragmentation of the state administration, the lack of consensus on the role of the state and the related irrationalities in budgetary allocations to redundant institutions all combine to make effective decentralization much more difficult.

The development of a more comprehensive approach to Civil Service Reform, taking into account employment conditions at the level of local self-government, also could do a lot for effective decentralization. In particular the development of special legislation on local government

employment conditions, designed in parallel to national civil service laws, is an under utilized tool to strengthen local self-governing authorities. This should be an issue for advocacy by local government associations and external supporters of decentralization policies alike.

In general, a better synchronization between central government reform and decentralization policies is essential if both are to be more successful than they have been thus far. It requires to integrate rather than separate responsibilities for these areas of reform and to develop a holistic view of state reform. Thus far the fragmentation that has characterized public administration systems in Central and Eastern Europe in general appears to have been equally present in reform efforts. This is one among the many issues that policy-makers in the region should address urgently.

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NOTES

- ¹ Chief Technical Adviser on Governance, UNDP Regional Support Center. The views and opinions expressed in this paper are the personal views of the author only and do not necessarily reflect the views of UNDP.
- ² In some cases, any approach at all.
- ³ There are some examples where this type of approach has been tried at least partially, such as in Slovakia (even if in an imperfect manner), and a reflection on ways of rationalizing the allocation of functions between levels of government has started recently in Bulgaria.
- ⁴ Institution building plans are an obligatory element of national plans for EU accession and have been used since 1999.
- ⁵ There are exceptions to this, especially Lithuania has devoted a lot of time and energy to developing institution building plans as real planning tools, to a lesser degree this is also true for Latvia. See for instance, Verheijen, T., Developing a methodology for the development of a Lithuanian Strategic Institution Building Plan for EU accession, Produced for the European Committee under the Government of Lithuania and the EU PHARE SEIL project. Linkages to the institution building plan are provided in the chapters of the NPAA 2001–2004, covering both vertical and horizontal aspects.
- ⁶ This relates both to formal decision-making, where it is relevant mainly to states with strong devolved systems of authority (Germany, Spain, Belgium etc.), and to consultation practices, e.g. to ensure that local governments have been consulted and are able to apply EU public procurement rules. Obviously the former issue is of less relevance to the current candidate states, as all are strongly unitary.
- ⁷ The following section draws broadly on the argumentation in the UNDP paper Rebuilding State Structures, chapter 1, but sets out the relevance of the issues discussed there for the decentralization process.
- ⁸ The concept of ‘tutelle’ (in French) is best translated as ‘guardianship’ and in this context refers to institutions that are subject to administrative control on the financial regularity of the use of allocated budget resources, but otherwise have a high degree of autonomy in the way they are managed. This modality could apply in particular to cultural institutions, higher education institutions etc.
- ⁹ Instead the process was managed by a plenipotentiary, how drew on limited staff resources for inputs.
- ¹⁰ The final decisions on the decentralization process were taken only in late Spring 2001, which was the last possible moment possible as regional elections had to be held by the end of 2001, in order to avoid having two major elections in 2002. Two of the main political forces clearly used delaying tactics to gain maximum political benefits for their constituents.
- ¹¹ In addition one of the main political forces tried extensively to use economic arguments to back a clearly political strategy.
- ¹² The development of the administrative reform strategy in Bulgaria by STRATEGMA is one key example.
- ¹³ For instance, Chancelleries, Prime Minister’s Offices, Cabinet Offices or Council of Ministers.
- ¹⁴ experimented with in Lithuania and Kazakhstan.
- ¹⁵ and makes local self-governing institutions more competitive at local level.
- ¹⁶ For instance, the Latvian Civil Service law adopted in 1995, the Polish Civil Service Law adopted in 1996.
- ¹⁷ Local self-governing authorities in the European definition exist only at village level thus far, even if experiments with elections at city and Raion level have started during the last year.