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Summary

The present report constitutes an introduction to the project undertaken by the Institute of Public Affairs in Warsaw on the new modes of governance in selected countries of Central and Eastern Europe (CEE). The first part of the report describes new modes of governance in EU Member States with special consideration given to the following features of the discussed methods: the abandonment of traditional, hierarchical state administration, decentralization and marketization of public tasks governance, democratisation of the administration's functioning, increasing networking of intra-national and international relations between the administrations. The second part of the report examines the key factors conducive to the change in modes of governance in the administrations of CEE countries, which are: the socialist tradition and the influence of political transformation and European integration. Subsequent parts of the report present basic research objectives and hypotheses. The report concludes with the proposal of basic research areas, stages and methodology.

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I. New modes of governance

Not only there is no explicit definition of the new modes of governance, but also the definitions proposed vary to a great extent and contradict each other.¹ A common element here is an attempt at defining the modes of governance *per se* – the modes that abandoned the traditional and hierarchical administration management methodology based on the Weberian model of ideal bureaucracy. One of the main objectives of the new modes of governance is the improvement in the functioning of the public sector. Their goal is to make the public sector governance resemble that of commercial enterprises, to foster the apolitical character and increase the professionalism of public officials, to raise the credibility and stability of long-term public policies, to render the public administration's actions more transparent to public opinion, and to promote social participation in administration's functioning, including the participation of private (commercial) actors.

The above approach towards governance was promoted in the works conducted under the auspices of the World Bank² and the Organization of Economic Co-operation and Development³. The idea was first launched in the second half of 1980s and then flourished in 1990s. In the context of European integration, the discussed methods met with particular interest after the popularization of two theories. The first one refers to the European Union as a regulatory state based on legal and administrative instruments. The application of the new modes of governance (e.g. related to the delegation of administrative functions to specialized agencies) influences the pace and effectiveness of the European integration process.⁴ The second school of theory is based on the institutional approach, which is focused on the comprehensive legal, sociological, and historical analysis of specific – also administrative – institutions. According to this approach, the latter are of key importance for the integration process; the development of institutions may exert direct influence on the integration process in future.⁵

It seems that the new modes of governance can be catalogued according to five main processes taking place in the public sector governance.

- The first process refers to the innovatory modes of governance in administration, which depart from the traditional and hierarchical method of governance.

¹ Cf. Börzel, T. A., Guttenbrunner S., and Seper S. 2004, *Conceptualizing New Modes of Governance in EU Enlargement*, Reference number: 12/D1, New Modes of Governance.

² Among the most important publications of the World Bank on the public sector governance worth mentioning are: World Bank (1991) *The Reform of Public Sector Management. Lessons from Experience*, Washington, DC: The World Bank; World Bank (1997) *The State in a Changing World*, World Development Report 1997, Oxford: Oxford University Press; World Bank (2000) *Reforming Public Institutions and Strengthening Governance. A World Bank Strategy November 2000*, Washington, DC: The World Bank.

³ Cf. selected proposals of the Organization of Economic Co-operation and Development referring to the improvement in public governance: OECD (1995) *Governance in Transition. Public Management Reforms in OECD Countries*, Paris: OECD; OECD (2001) *Governance in the 21st Century*, Paris: OECD; OECD/Sigma Papers No. 23 (1998a) *Preparing Public Administrations for the European Administrative Space*, Paris: OECD (CCNM/SIGMA/PUMA(98)39); OECD/Sigma Papers No. 26 (1998b) *Sustainable Institutions for European Membership*, Paris: OECD (CCNM/SIGMA/PUMA(98)57); OECD/Sigma Papers No. 27 (1999) *European Principles for Public Administration*, Paris: OECD (CCNM/SIGMA/PUMA(99)44/REV1.

⁴ See e.g. Majone G. (1994): *The rise of the regulatory state in Europe*, West European Politics, no 17 (3).

⁵ Cf. Pierson P. (1996): *The Path to European Integration: A Historical-Institutionalist Analysis*, Comparative Political Studies, no 29.

- The second one refers to the implementation of the subsidiarity principle, which means the departure from centralization of public governance and move towards greater decentralization of public tasks performance.
- The third process concentrates on the transfer of modes of governance from the private to the public sector or greater participation of commercial actors in public tasks performance. The main objective here is increased efficiency in public funds spending and greater effectiveness of public tasks performance.
- The fourth process pertaining to the public sector governance aims at greater transparency of the actions of administration and encourages social actors (in particular, the non-government organizations) to consult and perform public tasks.
- Finally, the fifth process refers to increasing networking and mutual dependence of national public administration structures and foreign actors, in particular other administrative institutions, at both supra-national and national and self-governmental levels, etc.

Departure from the traditional model of governance in administration

The departure from the traditional hierarchical model of governance in public administration has many aspects. Most importantly, it brings about new models of co-ordination in public tasks performance. It can relate to the establishment of new flexible, temporary or horizontal (inter-departmental or inter-ministerial) task structures focused on the realization of a specific process or a given public task. A key element of the methodology of public tasks co-ordination is the information and the decision-making processes management, which means that there are being created new systems of information exchange, its selection, analysis, and preparation for future decision-makers. Other modes of governance refer to the monitoring of the performance of administrative tasks, which entails: the mid-term review, peer review, various forms of reporting on the task under realization, including the so-called naming and shaming, i.e. the publication of reports on the quality and the effectiveness of the realization of comparable tasks implemented by specific administrations.

More and more frequently, public administrations of European countries participate in the process of delegation of their tasks and competencies to specialized agencies. This process is of multidimensional nature. First, it pertains to the European level. Over time, EU Member States have commissioned an increasing number of sovereign competencies to various EU institutions. What is more, certain treaty institutions, including the European Commission, delegate part of their competencies to specialized (however, not regulated by a treaty) European agencies. These institutions foster and monitor the functioning of the Common Market, frequently disposing of vast regulatory competencies (regulatory agencies). Others – executive agencies – play specific executive functions (e.g. translation and interpretation). There are also agencies which do not dispose of any regulatory competencies but merely gather information or promote social dialogue in Europe.⁶

Second, the above process occurs at the national level. Some of the government administration competencies (so far realised at the ministry level) are delegated to the agencies. Other are commissioned to the specialized institutions at the territorial level, which is known as de-concentration of administrative tasks. The processes of delegation or de-concentration of administrative powers are frequently related to an uncoordinated and spontaneous spread of bureaucracy. It may result from either the emergence of new tasks or the appointment of a new

⁶ M. A. Pollack, *The Engines of European Integration. Delegation, Agency, and Agenda Setting in the EU*, Oxford University Press, New York 2003, pp. 75-155, 396.

political crew in the government – the politicians usually tend to establish new organizational structures in order to have at their disposal more reliable administrative staff or to set up the administrative structures for their own political clientele (including the enforcement of local political structures).

The promotion of delegation of certain administrative tasks to agencies was dictated by the drive to minimize direct political influence on their realisation. According to some specialists, certain public tasks not only require the highly qualified and specialized personnel, but also should not be dependent on the negative impact of the elections cycle. They call for the realisation of long-term policies based on credible commitment.⁷ A classic example of such reasoning is the delegation of competencies related to the monetary policy to expert institutions affiliated with the central bank. These institutions are to conduct a policy compliant with the substantive objectives they were commissioned, and not with the direction of current government policy. It not only provides greater stability of a macroeconomic policy, but also builds up confidence of investors and international financial institutions in the monetary policy conducted in a given country.

The practice of task commissioning is related to the theory of the *Principal-Agent*⁸. In the case of modern State administration, it is the government that delegates the tasks to its agents – specialized institutions which perform the tasks they are commissioned with. Simultaneously, the relation *Principal-Agent* requires adequate control over the performance of delegated tasks and the political authorities' intervention in case of the disclosure of certain irregularities or a social crisis. Frequently, the costs of the introduction of effective monitoring of the above mentioned tasks are exorbitant.

There may emerge various situations leading to certain pathologies in the functioning of the agencies discussed. First, apart from a number of substantive factors related to the realisation of the commissioned tasks, over time the functioning of an agency is affected by own interests of the bureaucracy affiliated to a given agency. They may even appear as contradictory to its fundamental mission and statutory objectives. Frequently, the agencies instead of focusing on cost-optimization concentrate on the justification of escalating extra costs of their functioning. This may also serve as an example of apparent financial disadvantages which, in some circumstances, can ensue from the delegation of powers.

Second, an agency can be taken over by a lobby involved in specific economic interests or a chosen political party. Moreover, the issue of task delegation outside the ministries poses a number of serious problems as regards an appropriate co-ordination of the government works. Sometimes, agencies cease to be satisfactory instruments of political power, which considerably weakens the effectiveness of the government policy. In extremity, the ministers become deprived of instruments of power, as those are delegated to autonomic agencies.

Increasing technocratization of public policy-making is haunted by problems deriving from the loss of democratic legitimation of the performance of public tasks. That is why, specialized administrative structures introduce various forms of social consultation in order to compensate for the lack of adequate legitimation of their actions. For the same reason, their actions should be more transparent to public opinion.

⁷ Cf. Majone G. - *Two Logics of Delegation: Agency and Fiduciary Relations in EU Governance*, European Union Politics, 2 / 2001.

⁸ Cf. M. A. Pollack, *The Engines of European Integration. Delegation, Agency, and Agenda Setting in the EU*, Oxford University Press, New York 2003, pp. 380–391.

It should be noted that for the same reason as with the promotion of delegation of tasks to agencies there was introduced the civil service system, which was to help achieve two main objectives: first, de-politicization of the personnel and total reduction of its dependence from the turmoils of the elections cycle; and second, raising the professionalism of the personnel through systematic trainings and stabilization of employment in administration. Moreover, the civil service was commissioned with key substantive functions to provide the continuity of government policies and the knowledge adequate for the realisation of administrative tasks (including the development of political strategies). Thus, similar to the practice of delegation and de-concentration of administrative tasks, the introduction of the civil service may be treated as one more instrument of technocratization of public policies.

Decentralization of governance

Recently, Member States' administrations have launched an increasing number of decentralization reforms, whose main objective has been a greater participation of the citizens in administrative decisions as well as the introduction of more effective modes of public tasks governance. Frequently, an implicit aim of administrative reforms has been to reduce the State budget deficit, shake off the responsibility for problem solving and lay it on territorial self-governments. Decentralization tendencies have also originated in spreading emancipation of local communities, which is related to historical tradition, presence of ethnic or national minorities, or growing economic particularism. For instance, wealthier regions or metropolises more and more frequently issue political requests to vest an essential part of local tax revenues in self-government authorities (e.g. certain German lands, northern regions of Italy, Spanish Catalonia, etc.). The above can serve as a good illustration of mounting rivalry of self-government units – rivalry both among each other and with the central government – for rather miserly State budget revenues and European funds.

Another incentive for regional mobilization comes from global tendencies, which require local and regional authorities to conduct an independent policy accounting for the challenges and threats posed by the globalization. Here as an example may serve some metropolises, which – being entangled in a network of mutual relations between the biggest cities of the world – gradually withdraw from national problems or economic interests. Moreover, political mobilization at the local and regional level, if accompanied by appropriate decentralization of public finances, can become a key instrument as regards public investments and pro-developmental policy carried out at the self-government level. This gains on significance in a situation where central authorities are ceaselessly confronted with cropping up difficulties in conducting effective and well co-ordinated economic policy. In many countries, self-government policies aimed at economic development (in particular, the so-called regional policies) have become not only a significant supplement to the government actions, but also the one and only long-term and strategically planned development instrument in a given region.

Self-government authorities are subject to the same administrative changes as central governments and their administrative structures. They introduce new rules of governance, delegate tasks to specialized or commercialized units, privatize some local services, are forced to cope with cuts in public finances, etc. An all-pervasive influence of certain economic actors in a given region, decentralization of official authority among various institutions (including government agencies) as well as the introduction of EU policies at the territorial level considerably weaken a great number of self-government authorities.⁹ In consequence, the latter – a

⁹ Cf. Grosse T. G. 2005: *Regional policy of the European Union. Greece, Italy, Ireland, and Poland*, Institute of Public Affairs, Warsaw.

chief representative of a local community – may cease to be a carrier of political rights. What is more, such situation can lead to a loss of the ability of strategic planning of social and economic development and to an abandonment of tasks of local character. That is why, in face of the above threats, a great number of self-governments divert to a unique ‘forward resource’, i.e. they foster local and regional particularisms and aim at fuller political independence.

Privatization and marketization of public tasks

An important category of the new modes of governance constitutes the participation of private actors in meeting the social needs and services¹⁰, which means partial privatization of public tasks, i.e. delegation of the latter from the public to the private sector. A variation in this trend is the marketization of certain tasks performed by public administration, which can be achieved in several ways.

First, it is public administration that performs the tasks, but it takes place on a quasi-free market basis (it refers to payments for provided services and competition with public enterprises offering similar services). Another example of such competitiveness is the delegation of a given task in a given area to more than one actor (policy competition). Second, the performance of a given public task is delegated to the private sector and commissioned – e.g. by way of tender – to a specialized company (i.e. outsourcing). Most frequently, such delegation has temporary character.

Third, the marketization of public tasks can be achieved through the concurrent performance of tasks by the public administration and public actors on the basis of public-private partnerships (PPP). The main objective of PPP is to stimulate investments in the public sector, in particular the infrastructural investments, by providing optimal conditions for public enterprises with the participation of private partners. The development of PPP is dictated by limited public funds allocated for the capital expenditures and by an attempt to improve the quality and effectiveness of public tasks.

Fourth, the marketization of public tasks can be attained through the introduction into the administrative practice of the governance modes from the private sector (the so-called good governance). It pertains to the principles of financial management, personnel management, work performance management, administrative processes management, etc.

A variation in this trend constitutes the adoption of good models present in both other administrative institutions and commercial actors – the so-called mimicking – as well as the adoption of specific solutions applied in other institutions and introduction of a system of indicators which measure organizational results (benchmarking). Another variation is the introduction of innovations in governance through technology transfer.

¹⁰ Cf. Héritier, A. 2002b. *New Modes of Governance in the European Union: Policy-Making Without Legislation?* w: *Common Goods: Reinventing European and International Governance*, edited by A. Héritier. Lanham: Rowman and Littlefield, 185-206; Linder, S. H., and P. R. Vaillancourt. 2000. *Mapping the Terrain of the Public-Private Policy Partnership*. w: *Public-Private Policy Partnerships*, edited by P. Rosenau Vaillancourt. Cambridge MASS: MIT Press, 1-18; Kooiman, J., (ed.) 1993. *Modern Governance. New Government-Society Interactions*. London: Sage; Rhodes, R. A.W. 1997. *Understanding Governance. Policy Networks, Governance, Reflexivity and Accountability*. Buckingham and Philadelphia: Open University Press; Börzel, T. A., and Risse T.. 2005. *Public-Private Partnerships: Effective and Legitimate Tools for International Governance?* w: E. Grande and L. Pauly (ed.). *Complex Sovereignty: On the Reconstitution of Political Authority in the 21st Century*, Toronto: Toronto University Press; Börzel, T. A., Guttenbrunner S., and Seper S. 2004, *Conceptualizing New Modes of Governance in EU Enlargement*, Reference number: 12/D1, New Modes of Governance.

It should be noted that a number of the above mentioned alterations in the functioning of public administration originated in the popularization in 1980s of a neo-liberal doctrine promulgating the necessity to reduce the influence of public administration on economic processes and the need for marketization of many public tasks performed by administration. Moreover, recent immense popularity of a new direction in the public sector governance (New Public Management) has also exerted evident impact on the discussed processes. The main objective of the above alterations was to improve the functioning of the public sector. Frequently, an implicit aim of administrative reforms was to reduce the State budget deficit, shake off the responsibility for social problems solving and lay it on the private sector. That is why, the effects of some administrative reforms are quite dubious. According to Guy Peters, an expert in administration sciences, the tendency to ascribe the quality of provided services solely to market effectiveness and budget efficiency has provoked a crisis over the true meaning of public interest and caused that the mission of administration ceased to be regarded as public service.¹¹

Democratisation of public administration

Another process taking place with reference to public administration governance is the opening of the administration's functioning for society, which responds to the need for the preservation of democratic legitimation of the functioning of the increasingly specialized and technocratic administration. The tendency to democratize administrative actions is mirrored in 'bringing administrative actions closer to the citizens', i.e. the decentralization of these actions and their delegation to the self-government level. At the same time, there can be observed an emergence of social dialogue institutions and encouragement to participate in the decision-making process referring to the issues concerning the policies of public non-governmental and civil organisations. Frequently, the methodology of social consultations is based on the information exchange, evaluation of documents by social partners, organization of informal meetings (arguing and persuasion techniques). A specific variation in the co-operation between the administration and the social partners are voluntary agreements pertaining to the co-operation aimed at social problems solving.

In some cases, the requirement of social consultations is limited solely to ritual functions or functions exerting no influence on actual decisions taken by the administration. Frequently, the consultations serve as a cover for manipulation, whose only aim is to provide a justification for the decisions already made by the administration. A good illustration of the point is careful selection of groups of experts or non-governmental organizations. Another flaw in the discussed mode of governance is a lengthy decision-making process, which may escalate social costs of the implementation of a given policy. Similarly, opposite standpoints of the parties, which renders it difficult to arrive at a 'middle-of-the-road' decision, can pose a serious problem. That way, the socialization of the debate over public policy may only hamper the realization of any policy.¹² Alternatively, a policy finally agreed upon may appear as internally incoherent, which impedes or even totally precludes its effective implementation. Improvement of transparency of administration's functioning and social influence on decision-making are achieved in the delegation of public tasks, together with adequate financial resources, to the non-governmental sector.

¹¹ Cf. Peters B. G. (2003): *Dismantling and Rebuilding the Weberian State*, w: J. Hayward, A. Menon (eds.) – *Governing Europe*, Hayward J., Menon A. (ed.), *Governing Europe*, Oxford University Press, New York.

¹² Cf. Johnson J. (1998): *Arguing for Deliberation: Some Skeptical Considerations* w: J. Elster (ed.) – *Deliberative Democracy*, Cambridge University Press, Cambridge, pp. 167-168

Another example of the above mentioned process is the emergence of the institutions of social dialogue, which means that there are being created appropriate consultation procedures, bargaining methods, and dialogue institutions, e.g. bi- and tri-partite commissions. Most frequently, a consultation is held between three kinds of actors: the entrepreneurs' organizations, trade unions, and the State administration. The issues tackled during a consultation at the national level pertain to the proposals of new legal regulations, prepared by the government, on the labour law, economic relations, and the State's economic policy. The tri-partite institutions of social dialogue usually place the government administration in a preferential position, due to which the latter can steer the rivalry between the employees and the employers to its own advantage. Simultaneously, the government administration can partially evade the responsibility for unpopular social decisions taken in the course of negotiations held on a forum of tri-partite institutions. Sometimes, the institutions of social dialogue are established at the territorial level (e.g. regional) or at the level of specific companies, where they help solve most urgent social conflicts between the employers and trade unions. A special justification for the discussed model of regulation of socio-economic relations or the government economic policy can be found in a tradition of the continental model of capitalism, present in a number of countries of Western Europe, the so-called co-ordinated market capitalism.¹³

New climate of administration's functioning – 'multi-levelness'

Summing up what has been said so far, it becomes evident that the current stage of globalization is conducive to the decentralization of power within the frames of a network of national and international institutions.¹⁴ That network is far from being a homogenous structure; rather it constitutes a set of interrelated or mutually pervading elements, a set of variables in time and internal construction of the network. Within the framework of this dynamic structure, there can be observed an increasing role of interrelations between particular states.¹⁵ Similarly, the mutual relations of network public actors at various levels (including the relations between the State institutions and supranational organizations) are strengthened, which is mirrored in increasingly stronger and more popular networks of regional (continental) co-operation.¹⁶ Simultaneously, there can be observed an intensified co-operation, on both the national and international level, between occupational groups, non-governmental and economic circles.¹⁷ All the above processes become particularly visible in the context of the European Union.

The way the process of European integration is described above is typical of the school of multi-level governance. According to this trend, in the course of European integration, national states have been gradually losing their sovereign competencies in order to participate in the decision-making process in co-operation with not only other countries, but also various

¹³ Cf. P. A. Hall, D. Soskice (ed.) - *Varieties of Capitalism: Institutional Foundations of Comparative Advantage*, Cambridge University Press, Cambridge 2001; R. Dore - *Stock Market Capitalism: Welfare Capitalism: Japan and Germany versus the Anglo-Saxons*, Oxford University Press, Oxford 2000; V. A. Schmidt – *The Futures of European Capitalism*, Oxford University Press, Oxford – New York 2002.

¹⁴ Cf. Higgot R., Payne A., 2000. *Introduction: Towards a New Political Economy of Globalization* w: Higgot R., Payne A. (ed.), *The New Political Economy of Globalization*, Edward Elgar Publishing, Northampton.

¹⁵ Zorska A., 2000. *Towards globalization? Transformation in transnational corporations and global economy*, Wydawnictwo Naukowe PWN, Warsaw, p. 41.

¹⁶ As an example of such co-operation may serve: NAFTA - North American Free Trade Agreement, European Union, Mercosur - *Mercado Comun del Cono Sur*, ASEAN - The Association of Southeast Asian Nations, SAARC - The South Asian Association for Regional Cooperation, APEC - Asia-Pacific Economic Co-operation, Eurasian Economic Community (established under the auspices of Russia).

¹⁷ Cf. Slaughter A.-M., 2004. *A New World Order*, Princeton University Press, Princeton.

institutions of supranational and self-governmental nature, economic corporations, and other lobby groups. Moreover, the states are losing their capacity to control the decision-making process, they have ceased to play a role of an intermediary between the EU institutions and the self-government authorities or social organizations from a given country. That way, they have also ceased to be the one and only promoter of national interests on a European policy forum.¹⁸

II. New modes of governance in the new Member States

The national state and its administration is currently witnessing a series of radical changes affecting its functioning and the scope of its responsibilities. In the case of the CEE countries, there are at least two groups of factors contributing to the above mentioned changes. First, the political transformation confronts the politicians and the administrative personnel with serious challenges ensuing from the modernization of the country, including its economy, and from the new rules of exerting the influence by the State structures on the social and economic life. A transition to the market economy system restricts traditional functions of the socialist state, in particular the scope of administration's control over and management of economic processes. The introduction of democracy equals the introduction of completely new standards of the transparency of the administration's functioning, change in the way the public officials are subordinate to party activists, the professionalization of the diplomatic corps, etc.

Second, the change in the public administration's functioning is necessitated by the processes of the European integration. The above processes entail the adoption of *acquis communautaire* as well as of the institutional structures, action procedures, and even certain policies of the European Union. Moreover, it requires the adoption of a unique organizational culture characterised by the transparency of the procedures, greater socialization of the decision-making process, decentralization of some of the organizational structures, professionalization of the public officials corps, closer supervision over the proper use and allocation of public funds, etc. The above processes also involve a considerable limitation of certain competencies of the State administration, in particular at the central level, which means that, on the one hand, the current sovereign competencies of the national state become restricted due to their delegation to the European level, and, on the other, that the decision-making process and part of the competencies at the national level are at least partially decentralized or socialized.

Simultaneously, the European integration confronts the administration with a number of serious challenges ensuing from the capacity to identify the national interests and strategic directions of action in specific areas of public policy. Similarly, the countries that do not form the European Union are also burdened with the above challenges. Nonetheless, the fact of being a part of the European structures seems to magnify the strategic problems and calls for incomparably greater capacity to recognize the national interest. Finally, an enormous challenge for the State administration constitutes a successful promotion of the national strategies on the European forum, which can be attained through influencing the direction of EU policies and shaping the regulatory process of the European Union.

¹⁸ Marks G., Hooghe L., Blank K. 1996. *European Integration from the 1980s: State-Centric v. Multi-level Governance*, Journal of Common Market Studies, Vol. 34, Nr 4; Hooghe L., (ed.) 1996. *Cohesion Policy and European Integration: Building Multi-level Governance*, Oxford University Press, Oxford – New York; Le Gales P., 2003. *The Changing European State: Pressures from Within* w: Hayward J., Menon A. (ed.), *Governing Europe*, Oxford University Press, New York.

Socialist tradition

A significant dimension of the European integration is culture. Indisputably, the fast process of integration of Poland and other new Member States into the European Union has considerably disturbed the national identity and necessitated its redefinition. Additionally, it has brought about the political transformation and contributed to the rebirth of the parliamentary democracy. At present, the societies of the new EU Member States are in a specific historical moment where they have to confront their socialist past with the European identity of the uniting continent; in addition, they have to face the all-pervading influence of the global mass culture that bear all the resemblance to American pop culture.

A serious hindrance to the administrations of the CEE countries constitutes its organizational tradition and culture shaped in the period of real socialism. It seems that there exist at least several features typical of the socialist state's administration which influence the nature and functioning of administration's institutional structures in the above mentioned countries. For instance, the administration remains under a strong pressure exerted by the political parties, which results from the socialist tradition to subordinate the administrative structures to the communist party. This subordination was mirrored in overlapping government and party apparatus structures, consolidation of highly hierarchical administrative structures (similar to those found in military institutions), and all-pervading secret police – an additional tool of control exercised by the communist party over the government administration. At present, the political character of the administration is visible in the fact that, on the one hand, the administration is penetrated by the political parties and, on the other, the public officials themselves tend to seek patronage among the politicians. For instance, in Poland even the civil servants carve out their careers not only on the grounds of their competence and qualifications, but also due to the politicians' patronage.

Another example of the above problem is a somewhat pathological attitude of the politicians towards the economy. It results from the tendency of the socialist state's party members to use the public property to their own advantage. Simultaneously, there can be observed a specific merger of the social values typical of the real socialism period (the lack of respect for the common good and exploitation of public property) with carefully selected values of liberal capitalism (individualism, maximalization of material comforts and benefits, ideology of weakening the State's functions). The *political capitalism* developing in the above circumstances leads to a take-over of influences in specific market segments by part of the political elite, which avails itself of the political pension in business activity by participating in the formulation of the legislation and benefiting from a variety of reliefs and allowances granted by the State. Its predominance in certain market segments is relatively unstable, as it is forced to face the mounting competitiveness on the part of foreign capital. Moreover, this predominance not necessarily can be used in the area of the restructuring or the development of specific industry branches; rather it is restricted to deriving individual or group advantages (also in the form of grants and subsidies for the party purposes) and exploiting the public property and tax-payers' resources. Such situation is conducive to an emergence of oligarchic business and political relations that hamper the formulation of a sensible strategy of economic development and impede the activity of other market actors. The European integration gradually impairs the functioning of this type of relations and prompts the part of oligarchy to seek support in foreign capital groups or external political centres.

A variation in this model is the *public sector capitalism*¹⁹, which consists in the take-over of control over the agencies, funds, and other institutions of the public sector by the members of specific parties and their exploitation as in the case of the political capitalism. In consequence, the planning and co-ordination of action in various segments of public administration has been considerably impaired, which, in turn, largely impedes the government support for the competitiveness of national economy on the European and global arena.

Another characteristic feature of the administrations of the new Member States, which originated in the period of real socialism, is the tendency to centralize the decisions and organizational structures. The government administration is internally divided into specific sectors (ministries). This division of organizational structures and policies of the government administration poses a series of problems with respect to the governance: rivalry between specific segments of administration for public funds, overlapping structures and performed tasks, difficulties over the co-ordination of government actions. This, in turn, impairs the horizontal co-operation between the officials responsible for similar tasks in different administrative structures, information exchange, the process of agreeing on policies and legislative changes. Another problematic issue is a pronounced tendency towards the defence of branch privileges, competencies, and funds allocated to specific administration offices and sectors.

For the above mentioned reasons, the state administrations of the new EU Member States may encounter certain hindrances as regards the implementation of government programmes, which is mainly due to the fact that the officials have relatively low qualifications (e.g. in the area of regulation). Other problems perplexing the administration are the tendency to secure oneself against the responsibility for one's decisions and the unwillingness to take decisions at the administrative level as well as poor planning and organizational skills. In consequence, the majority of government works is done in a great haste and subject to many delays. Simultaneously, while part of the administration is overburdened with tasks and duties, other bureaucratic structures fall into lethargy.²⁰

Another problem haunting the administrations of the new EU Member States stems from poor strategic planning skills of the administrative staff and the complete inability to identify the national interests. These flaws have their source in the administrative culture of the socialist period, when the State did without public officials who would be creative, able to think strategically, or feel responsible for the national interests. Instead, there flourished a culture of obedience and loyalty to the party. Public administration was not appraised on the grounds of the effectiveness of public funds spending nor the efficiency of solving social problems.

It should be mentioned here that in the socialist period there was thriving the planning activity of the administration, a good illustration of which constitute long-term (e.g. five-year) plans of socio-economic development. However, over time those plans had less and less in common with real economic situation in particular countries. In consequence, towards the end of the communist era, the administration's actions were focused on the prevention against increasingly more frequent crises, instead of concentrating on the prospective development. This led to a loss of the ability of strategic planning among the administrative personnel as well as to a loss of skills to put the government plans into practice, which largely impaired the one and only segment of administration that was targeted at the implementation and the monitoring of

¹⁹ Staniszki J., 2003. *Power of globalization*, Wydawnictwo Naukowe Scholar, Warsaw 2003, pp. 24, 96–98, 100–102.

²⁰ Described phenomena related to governance are still present in Polish administration. Cf. Kucharczyk J., Trutkowski C. (ed.) 2004: *The attitudes of the civil servants towards ethical issues*, Institute of Public Affairs, Warsaw.

public policies. Thus, the new modes of governance – introduced during the transformation period – offered a brand new quality. Most importantly, they invoked democratic values. Moreover, they were meant to revive the strategic management in administration and improve the effectiveness of the public policies implementation. Another crucial direction in the newly introduced reforms was rationalization of spending of public funds and other administration's resources.

Specificity of the transformation period

It seems that the efficiency and effectiveness of public administration exerts an enormous influence on the effectiveness of the processes related to the political transformation and European integration. It can also help revive the authority of public institutions and the confidence in the political elites. Simultaneously, during the political transformation there could be observed a noticeable impairment of the state structures, which was due to both the abandonment of a number of public tasks by the State and spreading critical opinions on the socialist state and the contemporary style of governance. Thus, one of the reasons for which public institutions in the new EU Member States²¹ meet with criticism can be weak public administration as a tool of introduction of systemic changes.

In the period of political transformation from socialism to capitalism and parliamentary democracy, there emerged specific transformational processes related to the modes of governance in public administration. For instance, during the discussed period Poland launched a number of administrative reforms, of which the most important were two reforms of territorial administration revivifying local and regional self-government abolished during the real socialism period. Moreover, there were introduced two reforms of the government administrative centre, which altered the competencies of the ministries and enhanced the scope of power of the Prime Minister as a co-ordinator of the government policy. Additionally, there was introduced a civil service system to the government administration, which was then subject to a series of changes (due to a fierce rivalry of the political parties).

The above reforms brought about the new modes of governance in administration. They helped increase the supervision of the management of public funds, fight corruption, render the administration's actions more transparent to public opinion, encourage the participation of a number of social groups in administration, which in turn enhanced social mobilization in reference to public issues. It seems, however, that certain reforms had a bad effect on the functioning of the administration. The implementation of some of the new modes of governance constituted only a cover for real processes and decisions related to administrative actions. They were introduced solely *pro forma*, i.e. they lacked any fundamental meaning for the substantive decision-making processes. It only resulted in time-waste and increased the costs of the administration's functioning without sufficient value added to the officials' work.

Moreover, they could have been conducive to the spread of pathology in administration, in particular in the case where they invoked informal or 'soft laws' in governance. The period of transformation in administration fostered the development of various organizational pathologies, such as the politicization of administration, the capture of state, etc., a great number of which originated from the socialist tradition and the dominance of the personnel deeply rooted in the communist period.

²¹ Cf. the public opinion polls on the confidence in the politicians and democratic institutions in Poland: Zagórski K. (ed.), Strzeszewski M. (ed.) 2005: *Poland Europe World. Public opinion during the integration period*, Publishing house: Wydawnictwo Naukowe Scholar.

Another characteristic feature of the period of political transformation were repeated shifts in political crew as well as high rotation of public officials, which led to the emergence of close professional and societal relations between the administrative staff, most frequently between people of similar personal or professional experience. Sometimes, these relationships are, though not formalized, incredibly firm and dissoluble; they can even incapacitate the politicians and seize the power in a given government institution. Similar informal relationships seem to exert even greater impact on the decision-making processes than the newly introduced modes of governance.

The administrative reforms launched in the CEE countries were strongly influenced by their imminent accession to the European Union. Additionally, since the beginning of 1990s, a number of international institutions (in particular, OECD and the World Bank) have promoted various modes of governance in public administration that were to enhance the quality and efficiency of the latter as well as help it distance itself from the organizational legacy of real socialism²².

The administrative reforms introduced in certain CEE countries were fragmentary and their implementation was inadequate and ineffective. For instance, it can be assumed that the reforms in Poland lacked the comprehensive approach, which would encompass the need for the modernization of both central and territorial administration or take into account both the competence and the financial aspect of the reform. The process of reforms, monitoring, and the concomitant adjustment of these reforms had no continuation. Instead, subsequent governments made a real mess of the existing reforms, very often destroying their effects – even those beneficial ones. Frequently, the reforms were promulgated by a given party, which aimed at the take-over of a certain segment of administration or the suppression of the influence of the officials connected with the previous government crew.

The specificity of the political transformation period brought about both positive and negative effects of the introduced reforms. An analysis of the reforms introduced by Polish administration over the past few years demonstrates that they can be divided into at least four types. The first type of reforms can be nicknamed as a 'reform fever', which means that several reforms of paramount importance are introduced concurrently, which can be justified by unique circumstances of the political transformation period that called for a modernization of many neglected public segments. In result, the changes are introduced in a hasty, unconsidered way, not taking into account their long-term consequences and social costs. Very often they are implemented under the influence of some doctrine, e.g. the neoliberal economic doctrine, model academic solutions, or institutions borrowed from the developed Western markets. As an illustration of the point may serve four reforms of the coalition of the Election Action 'Solidarność' and the Freedom Union (AWS-UW) (1998-1999), which were poorly coordinated, and costly, and their implementation, apart from being incomplete and totally inadequate, took place in a situation of political weakness of and internal conflicts within the government formation.²³

The second type of public reforms in Poland can be called a 'reform through crisis'. Despite an urgent need for the implementation of systemic changes in a given segment of public administration, the reforms are not introduced as it is related to a serious risk of social conflicts, pressure of opposing interest groups, and the loss of political support for the government.

²² Cf. the footnotes no 2 and 3.

²³ See also: L. Kolarska-Bobińska (ed.) 1999: *Second wave of Polish reforms*, Institute of Public Affairs, Warsaw, T. G. Grosse (ed.) 2002: *Twilight of decentralization in Poland? Development policy in voivodeships in the context of the European Union*, Institute of Public Affairs, Warsaw.

That is why, the reforms are postponed until the real crisis comes, when the international institutions insist on the introduction of these reforms and the government is likely to gain support on the part of the media and public opinion. Any delays in decision-making involve exorbitant costs for the State budget and the society. What is more, over time the spectrum of structural decisions that can be made is narrowing. A good example of the above situation are the reforms of the coal-mining sector and public finances implemented by the coalition of the Democratic Left Alliance and the Labour Union (SLD-UP) (2002-2003).

The third type of reforms can be defined as a 'pre-election festival' and it entails legal and organizational changes introduced before the elections. The government and the opposition vie with each other in ad hoc solutions and proposals, which, though favourable for specific groups of voters, can be detrimental to wider social circles or seriously impede the functioning of certain systems of public issues and the expenditures of the State budget. The reforms fail to account comprehensively for public policies and the administrative system. Possible problems and difficulties ensuing from the introduction of the above reforms are shouldered on subsequent governments.

The fourth type of reforms is directly related to Poland's integration into the European Union. Undoubtedly, the integration process increasingly affects the administration. A great number of State institutions introduce changes into the national legislation, adjust them to the European norms and standards, prepare the documentation for the purposes of EU policies, modernize their own organizational structures, etc. However, it seems that the above mentioned activities have failed to change the key features of the organizational culture of Polish administration. Thus, the question whether the administrative reforms triggered off by the European integration are efficient remains open to discussion.

New modes of governance and the European integration process

The EU law and policies affect the functioning and the shape of organizational structures of the Member States' administrations. The above processes are known as the *Europeanization* of the Member States' administrations.²⁴ One of the obligations of the Member States' administrations is the implementation of EU policies and the adoption of the European law within the domestic legislation. However, there is a deficit of mechanisms harmonising the shape of administrative structures responsible for the implementation of specific policies, such as *acquis communautaire* that regulates public administration in the EU countries. Thus, in practice, the Member States are vested with relatively much freedom to establish adequate administrative institutions.²⁵

The policy of the European Union towards the national administrative structures was concomitant with strong diversification of those administrations and the efforts of specific Member States to vest this sphere in the national governments. However, in the 1990s the European Commission began to pay greater attention to the above issues, which was partly due to the growing awareness of the close relation between the effectiveness of the implementation of EU policies and the institutional potential of the national administrations (both government and self-government).²⁶

²⁴ See various definitions of Europeanization in: Olsen J.P. (2002): *The many faces of Europeanization*, Journal of Common Market Studies, no 40 (5).

²⁵ Page E. C. (2003): *Europeanization and the Persistence of Administrative Systems* w: J. Hayward, A. Menon (eds.) – *Governing Europe*, Oxford University Press, New York.

²⁶ See Olsen J.P. (2003): *Towards a European administrative space?* Journal of European Public Policy, no 10 (4), August.

The popularization of the above idea supported the Commission's actions targeted at the adequate preparation of the CEE countries' administrations for the EU membership – which also helped modify the rather unfavourable opinion among the European decision-makers on public administrations of these countries. Thus, in the case of the above mentioned states the European Commission exercised by far closer supervision over the development of adequate administrative structures than in the case of other countries. The care and control of the Commission was focused on the structures and modes of governance responsible for the implementation of the EU funds, which meant that the Commission gave preference to certain organizational solutions as well as methods of planning, implementation, and monitoring of the programmes making use of those funds. Moreover, it required that the EU officials should accept the subsequent stages of adequate preparation of the administration. The officials of the European Commission gave special consideration to the introduction of the civil service system in the above mentioned countries and to the enhancement of their institutional capacity that would accelerate the adoption of *acquis communautaire*. It consisted in *int. al.* financial support for the adjustment of the national law, trainings for the officials, development of the bureaucratic apparatus, improvement in the functioning of the judiciary, customs services and border guards.

The accession of the new Member States to the European Union entails a series of serious consequences. Most importantly, they have adopted the European law, policies, and institutions, which have been intended for different societies on a different level of economic development. The above situation is referred to as the *asymmetry of rationality*²⁷, which means that there is a tendency for selective introduction of procedures, institutions, and public policies rational for other market scale and other historical moment with an omission of those already existing in the countries of Central Europe. The institutions functioning on the mature market of Western Europe were developing throughout decades and are prepared to deal with the development issues of the 'old' Member States.

That is why a fundamental problem to be coped with by the new Member States consists in the adequacy of the integration process, adopted EU policies, organizational modes, and institutions for the national reality. Such 'mimicking' can be incongruous in view of the social and economic interests of these countries, which, in turn, can aggravate the asymmetry of their development in comparison to the 'old' Member States. It constitutes a consequence of assuming a role of the semi-peripheral region²⁸ of the united Europe as well as of the establishment and strengthening of separate development processes in both parts of the Community. It can also ensue from the lack of congruity between the values and institutions transferred from the Western Europe and the local administrative culture.²⁹

²⁷ Cf. Staniszkis J. (2003): *Power of globalization*, Wydawnictwo Naukowe Scholar, Warszawa, pp. 7-10, 69-81.

²⁸ The division into central, semi-peripheral, and peripheral areas is based on the global system theory of Immanuel Wallerstein. The so-called central areas are technology leaders, control world capital resources and impose political and institutional solutions on the remaining areas. They politically subordinate and economically exploit the semi-peripheral and peripheral regions. The semi-peripheral areas are closely connected with the centre, by which they are exploited, however, at the same time they participate in the exploitation of the peripheries. The peripheral areas either are subject to and exploited by the centre (and the closely related semi-peripheral regions) or suffer from complete marginalisation and exclusion from the processes of trade and political exchange of the global system. Cf. Wallerstein I., 1979. *The Capitalist World-Economy*, Cambridge University Press, Cambridge.

²⁹ A similar problem can be observed in social phenomena in economy: the incompatibility of the free market institutions and values transferred from the countries of Western Europe and Polish local economic culture, Cf. Kochanowicz J., Marody M. 2003. *After the accession... The socio-economic culture of Eastern Europe*

III. Main research objectives and hypotheses

The research devoted to the new modes of governance in the selected CEE countries has five research objectives:

- First, the aim of the research would be to examine the influence of the socialist administrative tradition on the functioning of the administration, in particular on the applied modes of governance.
- Second, the research objective should be an analysis of the specific processes concomitant of the political transformation and their influence on the functioning of the administration, in particular in the context of the new modes of governance.
- Third, the research would examine the influence of the European integration processes on the improvement in administrative governance in the new Member States.
- Fourth, the research should focus on the analysis of possible incongruities in the new modes of governance implemented in public administration.
- Finally, the fifth research objective would be to examine the effectiveness of the introduction and implementation of the new modes of governance in the context of bettering social communication and opening the administration to the participation of social actors.

1. Hypotheses on the role of the socialist tradition in administration

Public governance is tightly connected with cultural aspects, including the organizational tradition in public administration. A unique illustration of the point is the legacy of real socialism in the countries of Central and Eastern Europe. Another example constitute different models of capitalism functioning across Western Europe, which condition the relations between the public and the private sectors as well as affect the range and means of public interventionism in those countries. Below are enlisted the research hypotheses on the role of the socialist culture in administrations of the selected new Member States.

Hypothesis 1: The values and methods of the functioning of public administration that evolved during the real socialism period still condition the attitudes of public officials and informal action procedures. They exert strong influence on the modes of governance, misshape the functioning of the new modes of governance. The most conspicuous effect of the misshapen functioning is superficial introduction into the administrative practice of the new modes of governance, in result of which the latter fail to encompass real decision-making processes or meet pathological but compliant with the past socialist tradition objectives.

Hypothesis 2: While the process of introducing changes into the public administration, including implementing new modes of governance, is slow and partial, its desired effects on the administration's functioning are marginal or spread out over time. The source of all difficulties with the introduction of reforms constitutes the incongruity of socialist and democratic norms pertaining to the new modes of governance as well as the tendency of the officials to misunderstand certain values and objectives set for the introduction of the new modes of governance into the administrative practice.³⁰

in the enlarged Union: an asset or a liability? Polish case, Final Report, Institute für die Wissenschaften vom Menschen, Vienna, p. 2.

³⁰ Cf. Kochanowicz J., Marody M. 2003. *After the accession... The socio-economic culture of Eastern Europe in the enlarged Union: an asset or a liability?* Polish case, Final Report, Institute für die Wissenschaften vom Menschen, Vienna, p. 27.

2. Hypotheses on the influence the political transformation period had on the governance in public administration

In the period of political transformation from socialism to capitalism and parliamentary democracy, there could be observed specific transformational processes. On the one hand, there were introduced the new modes of governance whose aim was to improve the quality and the effectiveness of the administration's functioning and adjust it to the democratic system. On the other hand, the political transformation, which weakened the socialist state structures and departed from the hitherto modes of governance in the public sector, created a unique 'grey area' in the transition period. A great number of structures and modes of governance were abandoned at the time, while new, fully democratised institutions with new modes of governance were not yet developed. The period of political transformation gave rise to a series of pathologies ensuing from obscure rules, lack of adequate supervision, weakening of the State as well as the withdrawal of the latter from many spheres of social life.

What is typical of the transformation period is the development of numerous modes of governance related to contradictory systems of values and administrative traditions. On the one hand, it holds to the socialist tradition and modes of governance, and, on the other, to pathological misuse of the administration for own interests (capture of state); simultaneously, it represents the new modes of governance transferred from Western Europe. Below are presented relevant research hypotheses.

Hypothesis 3: All the above mentioned trends in governance, though mutually interrelated, function along contradictory logic, bring about tensions and conflicts (e.g. the rivalry for power and public funds between specific institutions), administrative costs (excessive development of structures, abrupt growth in the number of officials, etc.), and effects not compliant with the reform plans and expectations (e.g. territorial administration reforms).

Hypothesis 4: Not always the new modes of governance taken from the experience of the countries of Western Europe (e.g. promoted by the World Bank and OECD) help improve the quality of administration's functioning in the new Member States. One of the reasons may be the fact that certain methods appear to be an effective tool only in the countries with solid institutional structures and deeply rooted tradition of the state of law. In the case of the countries with weak institutional structures, i.e. the countries that witnessed political transformation, not all methods can be adequately implemented (in compliance with what they were intended for). It is possible that, in the case of certain countries, the negative aspects of some of the methods become more visible due to their internal logic which only strengthens the features typical of the weak states, such as: the lack of transparency, the lack of accountability, obscurity of tasks and duties, the lack of formal rules.

Hypothesis 5: Referring to the example of the new Member States it can be assumed that the new modes of governance should be introduced in the context of concrete cultural factors, specific administrative tradition, and problems perplexing a given country. Mere mimicking of the new methods cannot bring desired effects. Thus, the transfer of the modes of governance should be more creative, i.e. it should account for the adjustment of these modes to a specificity of a given country. Certain methods should never be implemented, whereas, at the same time, there should be created innovatory modes of governance intended exclusively for the use of the countries that witnessed political transformation.

3. Hypotheses on the influence the European integration had on public administration governance in the selected new Member States

From the point of view of the new Member States the effectiveness of the introduction of the new modes of governance has crucial meaning for the process of their integration into the

European structures and the adjustment of the national laws with the European norms. Another aspect of this issue is the adequacy of introduced changes to the specific social and economic problems of these countries. The key question here is whether the European integration process and its modes of governance foster the development of these countries and improve the functioning of their administrations. Below are given the relevant research hypotheses, which should be thoroughly verified in the course of the research.

Hypothesis 6: European integration strongly affected the emergence of the new modes of governance in the following areas of administration: EU funds management, strategic planning of public policies, enhancement of officials' professionalism (intensive trainings), introduction of apolitical civil service standards. The introduced methods facilitate the process of adjustment of the new states' administrations to those functioning in the European Union and accelerate the integration processes.

Hypothesis 7: Certain new modes of governance related to European integration are only to a moderate degree used to realize public policies (both European and national) comprehensively. Though they satisfy some of the quantity criteria, they still fail to adhere to the quality norms fixed for the desired effects of the above policies. It means that the applied methods obey formal criteria and procedures, but fail to solve social problems or realize the objectives of given public tasks, for which they were intended.

4. Hypotheses on the inconsistencies in the new modes of governance

Modern modes of governance are full of inconsistencies and ambiguous interpretations as regards the effects of their introduction to administrative practice. On the one hand, part of the methods encourage the social participation in the execution of power and try to overcome the problems of democratic legitimation of public institutions. On the other hand though, a number of new modes of governance only deepen the technocratization of public tasks performance. An illustration of the point may be the tendency to delegate power to specialized agencies 'excluded from' the influence of the politicians and the elections cycle, which, simultaneously, impairs their legitimation within the democratic system.

Moreover, the experts fail to present a concerted and unequivocal evaluation of the effectiveness of the introduced changes. The controversies about the governance modes frequently pertain to an objective, the achievement of which triggered off a vortex of changes. The effectiveness of changes should be evaluated differently in the context of cost-optimization and marketization of public tasks, and differently in the context of socialization or transparency of the decision-making process. Thus, it is evident that the values and the priorities crucial for the introduced changes and the interpretations of obtained results can vary to a large extent.

Hypothesis 8: Proper evaluation of the effectiveness of the new modes of governance calls for a definition of public tasks, for the realization of which the discussed modes were first introduced. It can be assumed that at least part of the objectives are contradictory. Moreover, it is possible that the methods have been erroneously adjusted to the objectives of public policy, which can negatively affect the effectiveness of the implementation of specific methods in a specific context.

Hypothesis 9: The introduction of some of the new modes of governance narrows down the opportunities for the realization of certain objectives of public policy and the application of other (i.e. targeted at the attainment of other goals) modes of governance. For instance, certain methods, though lower the administrative costs, at the same time restrict the scope of public tasks realisation.

5. Hypotheses on the democratisation of the administration's functioning

As particularly interesting appears an evaluation of the effectiveness of democratisation of the public administration's functioning in the countries subject to political transformation. On the one hand, there emerges an increasing specialization and technocratization of the administration's functioning, which is due to the weakening of the managerial and controlling functions played by the democratically elected institutions. On the other hand, the waning democratic legitimation of action is being gradually replaced by the democratic experimentalism, which is based on a greater transparency of the decision-making process and more active social participation in the process of public policy-planning and making. From the perspective of the discussed processes, the following research hypotheses seem to have particular significance.

Hypothesis 10: Greater specialization and credibility of public policies is attained due to the 'escape' from the excessive influence of the politicians. Simultaneously, in some cases, such escape may lead to a split political accountability to the electorate, e.g. for unpopular decisions. Thus, increased technocratization of administration is conducive to the endorsement of unpopular or socially unacceptable decisions.

Hypothesis 11: In certain circumstances, lengthier social consultations may curb the process of making the socially unpopular decisions. However, at the same time, it can render the administration's functioning ineffective and lower the chances for the introduction of substantively justified policies. It can result either from a number of difficulties in agreeing upon an adequate and coherent policy or from various contradictory social postulates referring to the public policy.

Hypothesis 12: Certain forms of social participation in the works of public administration are introduced solely *pro forma*, i.e. they lack any fundamental meaning for the decision-making processes and the informal principles governing the functioning of administrative institutions. Thus, the new methods of social consultation exert an infinitesimal influence on the decision-makers and constitute merely a set of ostentatious democratic processes.

IV. Research areas, stages and the methodology

The research co-ordinated by the Institute of Public Affairs will be conducted in four new Member States: Poland, Lithuania, Latvia, and Estonia. It should be also noted that despite a great number of similarities, the four countries vary to a considerable extent, which exerts impact on the shape and nature of their administrations. First, there is a considerable discrepancy in the size of those countries, in particular between Poland and the other three, which influences e.g. the degree of decentralization of administrative tasks. Moreover, three Baltic states not only witnessed political transformation, but also revived their own sovereign states, which was conducive to the emergence of particularly strong socialist tradition (or even sovietization of public administration), including deep dependence of the administrations of these countries on the decisions made by the political centre of USSR and the leading role of Russian elites in the work of administration. Moreover, the specificity of the political transformation period in the Baltic states is also mirrored in the frequent invocation of Scandinavian traditions as well as the key role of immigrant elites in the shaping of political transformation processes following the communist era.

Research areas

The research refers to two basic research areas. **First, there is the analysis of the new modes of governance related to the introduction of the institutions of social dialogue.** The definition of social dialogue proposed in the research refers to the socio-economic issues, in par-

ticular to the regulation of the labour market, industrial relation, government social policy, etc. The research focuses on the national institution of the tri-partite dialogue in the above mentioned countries. Another basic direction of the research is an analysis of the issue of socialization of administration's functioning and social dialogue in reference to public policies prepared by the administration.

Second research area includes the modes of governance referring to the allocation of EU funds for rural development. Special attention will be paid to the institutions responsible for the governance and implementation of the programmes of rural development. In the case of Poland, a leading role will be ascribed to a government agency – the Agency for Restructuring and Modernization of Agriculture. Thus, there will be an opportunity to examine an issue of the delegation of competencies to an executive agency. The research will focus mostly on an analysis of the influence European integration exerts on the changes in the public administration governance.

Research stages and methodology

The research will be divided into three stages.

1. The initial stage will consist in the specification of research objectives and the elaboration of the methodology, research schedule, and the researchers' tasks. Concurrently, there will be prepared three background papers that will present the research issues in greater detail and will constitute a kind of an introduction. The first background paper will describe both the new modes of governance in the 'old' Member States and the innovatory modes of governance functioning at the European level. Moreover, the paper's aim will be to analyse the specificity of the implementation of the new modes of governance in the administrations of the new Member States – the countries once subject to political transformation.

The second background paper will focus on the analysis of the socialist tradition in administration and its modes of governance. It will present the specific values and phenomena characteristic of the administration in the period of real socialism as well as the issues referring to the social dialogue in socialist administration.

The third background paper will concentrate on the transformational factors in public administration. It will describe the processes of political transformation that conditioned the phenomena and modes of governance in administration. For instance, during the discussed period, Poland launched a number of important administrative reforms (the reforms of civil service, territorial administration, administrative centre), which introduced the new modes of governance in administration. A significant aspect of the transformation period and introduced reforms were the preparations to European integration. Additionally, the background paper will present the pathologies in administration that have their source in the specificity of the transformation period. These pathological phenomena are known as the capture of state and consist in the politicization of administration, the appropriation of public property or segments of administration by various interest groups, etc.

2. The second stage of the research will focus on the social dialogue issues and will entail the elaboration of two background papers. The first one will describe social dialogue in the European Union. It will present model solutions referring to social dialogue at the European level as well as social dialogue institutions in the selected 'old' Member States. An important supplement to this paper will be an analysis of differences between the economic systems of European countries, which is related to the shape and influence of the institutions coordinating industrial relations (in particular, the labour market and relations between the employers and the employees).

The second background paper will examine the social dialogue in the countries that witnessed political transformation (Polish case). The paper will describe the examples of both the manipulated social dialogue from the period of real socialism and the institutionalized social dialogue in the period of political transformation. It will give special consideration to the functioning of the tri-partite commission and the commissions of social dialogue created at the regional level. A unique example of social dialogue in Poland constituted the debate of the ‘round table’ – held between the government and the opposition – which defined the boundary conditions of the transition from the communism to the democratic system. Moreover, the above mentioned debate tackled the issue of the revivification of trade unions and other issues pertaining to the industrial relation and socio-economic policy of the government.

Subsequently, in the four new Member States there will be conducted the research on the national institution of the tri-partite social dialogue. The research will concentrate on the new modes of governance introduced in the above institution; it should be also noted that the introduction *per se* of the discussed institution is regarded as a unique form of innovatory public governance in the area of the government socio-economic policy. The research will focus on two processes of reforms launched over the past few years. The first one refers to the correction of social security system, the indispensability of which is dictated by the reform of the public finances system. In the case of Poland, an attempt at this kind of reform was the so-called Hausner Plan, whose part referring to the system of social care was debated on the forum of the tri-partite commission. The second process entails the reforms of the labour law and the system of employee privileges.

Moreover, the research will account for the changes in the functioning of the tri-partite institutions, the effectiveness of negotiations in the context of introduced alterations in the legislative system and the implementation of the government programmes. Also of key importance is the orientation of introduced changes (e.g. towards the liberalization of the labour market). Additionally, the research will include an analysis of the influence of the specific tri-partite institutions (the employers, organizations of employees, government administration) on various agreements and their effectiveness after entering into force. The research is to gather empirical data for the above mentioned research hypotheses.

The research will be based on the standardized interviews with the representatives of the specific parties of the tri-partite institutions and on the analysis of the documentation, in particular the proposals of the legislative solutions. This stage will conclude with final reports on the situation in the four countries entailed by the research.

3. The third stage of the research will be devoted to an analysis of the new modes of governance with reference to the rural development policy, with particular consideration given to the programmes making use of EU funds. There will be prepared three introductory background papers. The first one will focus on the EU rural development policy, which is to help identify the new modes of governance introduced within this area of public issues. Moreover, the background paper will present the experts’ opinions on the effectiveness of the discussed policy – in particular, the effectiveness of applied organizational methods. The paper will also analyse the evolution of the European rural development policy and adopted modes of governance.

The second background paper will describe the evolution of the rural development policy in the new Member States (Polish case). It will present the government policy on these issues, as it was towards the end of real socialism, and the most frequently applied organizational methods related to the implementation of this policy in this particular period. Moreover, it will analyse the changes to which the above policy and its organizational methods were subject during the political transformation; a special consideration will be given to the influence of

the pre-accession programmes and the spending of the accession funds allocated for rural development.

The third background paper will offer an evaluation of the hitherto task performance in the context of rural development and the allocation of EU funds, taking into account the policy realized in the accession period. The paper's aim is to identify the new modes of governance related to the above public issues. What is more, the paper will present the most significant expert appraisals of the efficiency of the policy discussed above.

Subsequently, in the selected EU Member States, there will be conducted the research concerned with the institutions responsible for the realization of the rural development policy. The research will concentrate on the new modes of governance introduced in the discussed institutions. Also of key importance is here the analysis of the influence of the methods related to the allocation of EU funds. Since the scale of discrepancies between specific countries entailed by the research project is large, it is possible that some countries will examine other programmes making use of EU funds – not necessarily pertaining to rural development. The research will focus on the analysis of changes in the functioning of implementing institutions and the effectiveness of undertaken initiatives, in the context of the objectives of both the European and the national policies. Moreover, the research will gather empirical data for the research hypotheses enlisted above.

The research will be based on the standardized interviews with the employees and 'clients' of the above mentioned institutions and on the analysis of the documentation and a series of reports (including those prepared for the European Commission). The research will conclude with a number of final reports on the situation in the four countries entailed by the research.