

## Public Administration Reforms in Slovakia: Limited Outcomes (Why?)

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### Abstract

The goal of this paper is to document and to analyse public administration reform dynamics and outcomes in three selected areas – transparency and accountability, civil service and local self-governments.

The high level of potential access to government information in Slovakia does not “produce” increased accountability, predictability and also does not effectively serve as a tool to control corruption. We argue that citizens are not only victims, but also accomplices: their tolerance for corruption, excessive bureaucracy and rent-seeking is confirmed by many existing studies.

Concerning civil service reform, Slovakia shows a substantial reform reversal towards politicisation and centralisation after 2001, which clearly threatens the fundamental features of democratic governance. Soon after the EU accession in 2004 major regressive changes took place, and the Civil Service Office was abolished in 2006. The new legislation in force from 2017 (forced by the EU conditionality) should return the Slovak civil service back on the right track – let us to see.

With regard to self-government the reforms aimed towards the establishment of more independent local and regional self-government. However, the major issue here is the extreme fragmentation on the municipal level – almost 3,000 municipalities in the country, most of them below 1,000 inhabitants. Many studies confirm that amalgamation (or at least functional amalgamation) is necessary – but there is no political will to start it.

What are the main lessons from the Slovak case? The information provided indicates that the Slovak Republic belongs to the “standard” group of CEE countries – after the first wave of democratisation reforms immediately after 1989, most of the later changes were realised “thanks to” external motivations and pressures – and not

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always really welcomed. The specific issue, however, is the decentralisation reform in 2000–2005. This change, providing really fragmented local self-government by extra rights and responsibilities, was internally driven, with positive results from the point of view of self-government principles, but with many hurdles caused by too large a number of too small municipalities.

## **1. Introduction**

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Slovakia, as an independent sovereign state, was established on 1 January 1993 as the result of the friendly split of former Czechoslovakia into two independent states – the Czech Republic and the Slovak Republic. It has been a member of the European Union and NATO since 2004. Slovakia has an area of 49,034 km<sup>2</sup> and about 5.5 million inhabitants.

In 1990, the foundation for a new democratic model of public administration (PA) was laid in Slovakia. These changes were intended to overcome and eliminate the shortcomings of centralised control of state administration (Kosorín 2003). On the central level the standard “three pillar system” (legislative, executive and judicial branches) was established, and free elections were held in 1990. On the sub-national level, the former three-level system of national committees in which state power and administration as well as part of local self-government was concentrated, was abolished in 1990. Under Act No. 369/1990 Coll. on Municipal Administration, local self-government was established with approximately 2850 municipalities as territorial and administrative units. The first municipal elections were held in 1990.

The goal of this paper, based on EUPACK research, is (except for a short general assessment of reform trends) to try to document and to analyse the specifics of PA reforms in Slovakia both with regard to dynamics and outcomes and to deliver important insights in the PA reform theory (and practice). Three out of five EUPACK areas are selected – transparency and accountability, civil service and local self-governments. This selection is intentional because of the lessons provided.

The transparency and accountability case documents that transparency does not automatically deliver accountability and better performance. Slovakia receives relatively high marks from international organisations for the level of access to government information; however, really comprehensive rights of all stakeholders to obtain almost all data about government performance, especially economic data, does not result in better performance and higher accountability – at least not automatically and in the short term. This indicates that access itself is not enough, if other accountability mechanisms are underdeveloped.

The civil service case is symptomatic. Slovakia adopted standard civil service legislation before accession. However, there is no political party really willing to have independent and professional civil service; for all of them patronage relations are more important in order to be able to control the system. Because of this, the

original “good” law was amended many times to achieve reversals towards politicisation and centralisation. The tough intervention from the EU level pushed Slovakia to re-introduce core civil service values into the national legislation – by the new civil service law valid as of 2017. However, this change may not deliver much in reality, because of the specific national environment.

The most interesting case is local self-government. Nowadays, there are 2,890 municipalities in Slovakia. The average municipality population size in Slovakia is only 1,870 inhabitants, and the average Slovak municipality has approximately 17 km<sup>2</sup>. With this Slovakia and the Czech Republic are the two most fragmented countries in the EU from the perspective of the average number of inhabitants in the municipality. The Slovak municipal system is very close to all principles stated by the European Charter of Local Self-Government – as confirmed by the Council of Europe monitoring report which was approved in early 2016 – this means that municipalities are equipped with a large set of competences and responsibilities. The fact that many too small self-governments are not able to realise them because of a lack of human capital and also other resources is not reflected in government policies, and there is no actor willing to start a real discussion on how to cope with too high fragmentation.

## **2. Major reform trends over the past 20 years**

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After the starting period of basic democratic changes in the country, not much was done in reforming the public administration (PA) system in Slovakia before the election of the “Dzurinda” cabinet in 1998. The “1996 Meciar Government Reform” formally aimed at increasing the effectiveness and quality of PA; however, it realised mainly un-necessary administrative changes and in the end just delivered huge costs and minimal results (Mesiková 2008; Nemeč and Spacek 2017).

After general elections in 1998 new Slovak governments revived the issue of PA reform as one of their main goals. The core enabling factor was the perspective of EU accession – the Meciar government (moving Slovakia out of integration processes) was replaced by the right-wing coalition of Prime Minister Dzurinda. The new government started to do as much as possible to improve integration perspectives – to be able to join the EU in the first wave. Except for the EU accession motivation, one might also find certain “internal” motives in the PA reform realised by this government – the right-wing government was very much in favour of NPM-type changes, consistent with their ideology of less state and less central state. The accession motivation resulted, for example, in the adoption of the Civil Service Code and the Public Service Code in July 2001.

To lead the (partly internally driven) decentralisation reform, the position of Government Appointee (Government Proxy) for the Public Administration Reform was created, outside of formal ministerial structures. Viktor Nižnanský,

representative of the right-wing political spectrum was appointed to this position. The outcome was the *Strategy of the Public Administration Reform of the Slovak Republic* adopted by the Slovak Government in 1999, and subsequently the *Concept of Decentralization and Modernization of the Public Administration in the Slovak Republic* was adopted by the Slovak Government in 2000. As one of the first reform steps, in 1999, Slovakia signed the European Charter of Local Self-Government with reservations.

The main idea of the 2000–2004 decentralisation reform was that decentralisation would solve all inefficiencies. The start of the reform was postponed several times because of a lack of political consensus, and only massive interventions of Prime Minister Dzurinda at the beginning of 2001 pushed the processes forward. After this, in very short (too short) time all expected basic legislation was approved by the Parliament, especially:

- Law on creation of regional self-governments – July 2001,
- Law on elections of regional self-governments – July 2001,
- Law on the transfer of competencies of the state to the regional and local self-administration – September 2001,
- Amendment of the Law on municipalities – October 2001,
- Amendment of the Law on municipal property – October 2001,
- Law on the property of regional self-governments – October 2001,
- Amendment of the Law on budgetary rules – October 2001,
- Law on financial control and audit – October 2001.

The reform transferred a massive set of responsibilities to local and regional self-governments, but did not introduce other crucial elements of decentralisation, mainly real fiscal decentralisation (new responsibilities were financed by grants and not from own revenues of self-governments). To remedy the shortcomings, the *Project of Further Public Administration Decentralization for 2003–2006* was adopted by the national government, focusing on two main aspects:

- Fiscal decentralisation (a massive transfer of responsibilities was not immediately followed by changing the fiscal system of the country).
- Changes of the state administration system (a change of territorial structure of administrative bodies, and a change from general to specialised deconcentrated state administration).

Accordingly, new legislation was adopted in 2003 and mainly in 2004, creating a really decentralised public administration and a proper public finance system in Slovakia. The transfer of responsibilities was fully realised in this period. A new fiscal decentralisation system was established where a large proportion of

self-government incomes is from own revenues (including shared taxes). Effective mechanisms for horizontal and vertical equalisation, however, were not created. Other important laws from this period are connected with public financial management – in April 2003 the Slovak Government approved the document *Stratégia reformy riadenia verejných financií* – including medium-term programme performance budgeting, the establishment of the Treasury, a switch to accrual accounting and the abolishment of several specific state financial funds (all under the leaderships of the Ministry of Finance).

During the period 2000–2004 Slovakia also realised a large set of legislative changes connected with EU accession (on 10 December 1999 the EU summit in Helsinki decided to invite Slovakia to start to discuss the accession). Important changes connected with this process (and relevant to PA reform in Slovakia) are the Laws on Free Access to Information (May 2000), the introduction of the Regulatory Impact Assessment in 2001 and agencification and privatisation in the utility sector.

Not much has been realised in the area of reforming PA between 2006 and 2012 (the first left-oriented Fico government and the short-term right-wing Radičova government). The incremental reform of 2007 just changed the structure of the deconcentrated state administration system again. In 2011, the Slovak Republic acceded to the international Open Government Partnership (OGP) Initiative and joined 50 OGP member countries. Amendments of the Freedom of Information Law in 2010 and 2011 introduced compulsory publishing of all public contracts in the central contract registry, accessible to any citizen.

In their *Program Declaration* (2012–2016 election period), the second Fico Slovak Government committed themselves to adopting measures to make PA more efficient and advanced. The “*ESO Programme*” (Efficient, Reliable and Open state administration) was approved by the Government of the Slovak Republic in April 2012. The main idea of this reform was for the government to be simple, well-arranged and accessible, it should work sustainably, transparently and with efficiently spent financial means. The reforms included three main areas:

- the integration of a specialised local state administration into a single state office,
- the establishment of client centres (one-stop-shops) for citizens to ensure contact of the citizens with the integrated local government (planned for 2014–2015, but not finished to date) and,
- the optimisation of administrative processes and administrative structures (including e-government development), planned for 2014–2020.

Except for these main reforms streams we can also mention the approval of the Guidelines for the Involvement of the Public in the Creation of Public Policies by the Slovak Government in 2014, the second Slovak National Action Plan of Open Government Partnership Initiative (2015), the Action Plan for

strengthening the rule of law in Slovakia (2015), the Uniform Methodology for the assessment of selected impacts 2015 and the Strategy of Human Resource Management in Civil Service for 2015–2020, and the new draft Civil Service Act was prepared in 2015–2016.

The brief overview of reforms (i.e. reforms of the state administration system) indicates one important weak point – “reforms to reform”, to distinguish itself from previous governments. At the level of state government, the whole period 1990–2016 is marked by non-systematic changes in the management from specialised to general deconcentrated state administration and vice versa (Table 1). These changes accompanying the territorial changes did not bring greater efficiency of its function nor significant improvement of public services provided to citizens.

**Table 1**  
Zigzag “administrative” reforms

<b>Year</b>	<b>Change</b>
<b>1990</b>	Specialised deconcentrated state administration system established New administrative structure established (district and sub-district offices)
<b>1996</b>	General deconcentrated state administration system established New administrative structure established (regions and districts)
<b>2004</b>	Specialised deconcentrated state administration system established New administrative structure established (district offices abolished)
<b>2007</b>	New administrative structure established (regional offices abolished)
<b>2014</b>	General deconcentrated state administration system established New administrative structure established (district offices re-established)

Source: own

### 3. Transparency and Accountability (or Transparency versus Accountability)

Transparency and accountability belong to the core governance principles (OECD 2015). Their importance for any public administration system is confirmed not only by declarative texts of major international organisation (like SIGMA 2014), but also many important academic studies (e.g. Bovaird and Löffler 2003, 2009 or Osborne 2010). Vesely’s paper (2013), however, indicates that the level of accountability of governments in Central Europe is rather limited overall.

Concerning the concrete country situation, Slovakia is a country with rather contradicting performance indicators for the area of transparency and accountability (Table 2).

**Table 2**  
Selected transparency and accountability indicators Slovakia

Indicator	Value 2014	EU28 rank	Value 2016	EU28 rank	Δ Value	Δ Rank
<b>Access to government information (1-10)</b>	8.00	8	8.00	10	0.00	-2
	Value 2013	EU28 rank	Value 2015	EU28 rank	Δ Value	Δ Rank
<b>Transparency of government (0-100)</b>	16.71	27	23.43	28	+6.72	-1
	Value 2010	EU28 rank	Value 2015	EU28 rank	Δ Value	Δ Rank
<b>Voice and accountability (-2.5,+2.5)</b>	0.89	23	0.97	20	+0.08	+3
<b>Control of corruption (-2.5,+2.5)</b>	0.24	22	0.15	23	-0.09	-1
<b>TI perception of corruption (0-100)</b>	43.00	22	51.00	22	+8.00	0
	Value 2010	EU28 rank	Value 2014	EU28 rank	Δ Value	Δ Rank
<b>Gallup perception of corruption (%)</b>	76.00	18	74.00	16	-2.00	+2

Sources: Bertelsmann Stiftung, European Commission, Worldbank, Transparency International, Gallup World Poll.

On the one hand, Slovakia has made significant efforts to increase the access to government information. As regards this issue the first really important step was the introduction of free access to the information legal package (from 2001), and step by step increasing the access for citizens to any public data. The law on free access to information in its current form is to a large extent fully comparable with (or even more progressive than) the situation in most developed countries. Formally any physical person can ask for all existing non-secret information – and public bodies must provide the required information (they can charge only the real cost connected with the production/reproduction of the requested information). Implementation gaps exist but do not limit the functionality of this law too much. There is no public body collecting the information how many requests were submitted, granted or rejected. Some data are available via the Transparency International Slovakia (for example Velsic 2004) – during three years of the validity of “information law” 8 % of citizens tried to use this instrument – and most of them (approx. 90 %) also received the requested data (representative sample, May 2004).

The most visible gap is well described by the findings of Transparency International Slovakia (Sipos et al. 2015) showing that the transparency of public companies remains rather low and does not improve visibly. The most important findings are as follows:

- 36 % of public companies have not disclosed the names of managers on their websites.
- Only one out of seven public companies opens its economic information to external reviews.
- 85 % of public companies do not present CVs of their directors on their websites.
- Only one out of ten public companies informs who the subjects of their promotional or donative support are.
- One-fourth of public companies did not respond to information requests of citizens.

- More than one-fourth of public companies do not use a selection procedure to choose the new employees.
- As many as 85 % of public companies do not sell and rent their property by electronic auction.
- Five out of eight public companies offer the sale and the rental of their property on their websites.
- Seven out of ten public companies regularly publish their annual report on their website, and only two-thirds publish the summary of profits and losses.
- The situation is better with the “state-owned” public companies, which averaged a 44 % (from 100) score, and they succeeded in all evaluated areas – they are significantly better than “self-government-owned” public companies.
- Slovak public companies scored only half the points (35 %) compared with ten involved foreign public companies, which scored almost 71 % in ranking.

From 2010 on this set of legislation has also required that all contracts signed by public bodies (except for few secret exemptions and for contracts below the fixed financial limit) must be stored in the central registry and are valid only after they are stored and displayed. With this, all interested persons have full access to all information about governmental purchasing, but also many other types of public expenditures (like grants to non-profit sector bodies). According to the data by Transparency International Slovakia (Nechala et al. 2015):

- From 2011 to 2014 over 780 thousand contracts were published by the central authorities in the Central contract register CRZ. The estimate is that 2,700 Slovak municipalities published over one million contracts in total on their own websites within the 4-year period.
- As many as 11 % of the adult Slovak population – or 480,000 thousand people – claim to have checked at least one public contract or receipt online since 2011, according to the representative opinion poll of Transparency International Slovakia in late January 2015. Almost 8 % of them did it in the past 12 months, they said in a poll. There are around two percent or 90 thousand heavy users who claim to have checked at least 5 public documents in the four years since the reform was introduced.
- In 2014 the Central Registry and the unofficial registry operated by the Transparency International Slovakia were visited 650,000 times.
- The change was really beneficial for the ability of media to perform their watchdog role of public institutions. Control “in real time” is now possible. Most of the recent scandals in Slovakia were “enabled by this infrastructure” and thus had better results in terms of accountability than cases prior to 2011.

Contradictory to this high level of potential access to any government information as demonstrated in existing studies, it does not “produce” increased ac-



accountability and also does not effectively serve as a tool to control corruption. For example, Grega (2013) analysed public procurement in the city of Martin. Thanks to transparency in obtaining data, documenting that many procurements are manipulated was not a problem. In 2015 compulsory e-auctions for public procurement of goods and also – if possible – services and works were introduced (all public bodies had to use the central electronic market to purchase especially off-the-shelf goods) to increase transparency of procurement and to improve its efficiency. However, as of 2018 this tool is no longer compulsory. It remains unclear if this is to increase the process flexibility or to re-open space for corruption.

The main factor behind the fact that transparency does not promote accountability and does not effectively limit corruption is the citizens' behaviour (Nemec et al. 2016). Several studies confirm that accountability and responsibility are not required by citizens, and the tolerance for corruption is really high. For example Orviska and Hudson (2003) investigated the scale of the shadow economy in Slovakia, and their results clearly show that tolerance is one of the core factors causing the growth of the informal sector and tax evasion. In a recent study (2017) Hunady investigated factors determining the level of corruption. One of his findings is that the low level of accountability is significantly correlated with the level of corruption in the country (and Slovakia performs very badly on both indicators).

Following the above arguments the core issue for Slovakia is how to address the problem of low social accountability and responsibility. The starting point for such analysis might be the question: "Are citizens only victims in this or contributing as well to the existence of the current practices"?

If accountability is not explicitly demanded by citizen (or civil society organisations), the necessary standards can only be achieved in the case of the "goodwill" of politicians. However, if the main "utility" for politicians is power and rent-seeking, such change hardly occurs (Vesely 2013). The fact is that the Slovak citizens today are not "effective controllers" of their politicians and bureaucrats. The EU-PACK report on characteristics of PA in the EU28 (Thijs et al. 2017) shows that the "normal" rating of Slovakia for most selected government performance indicators is 20+ (out of 28). However, concerning the trust in government Slovakia ranks 12. This fact indicates that a lack of a sense of individual responsibility along with paternalism and fiscal illusion remain important features of a Slovak citizen's behaviour. Some evidence for this is the fact that in Slovakia, 67% of respondents believe that their problems need to be solved by the state (Buncak et al. 2009). Maybe the behaviour of politicians and bureaucrats is only the symptom – but the source of illness is much deeper and more complicated to treat – short-term solutions for too limited citizen expectations and too high tolerance do not exist (one of the core problems – if not the core problem – for most developing and transitional countries in the world).

## 4. Civil Service Reforms

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Civil service constitutes a key element in any administrative system, especially so in new democracies. The civil service reform was considered one of the most crucial components of enlargement. The development of administrative capacity included the requirement to establish professional and depoliticised civil service systems in the then candidate countries (Staroňová et al. 2014). However, several studies indicate reform reversal towards politicisation and centralisation, which clearly threatens the fundamental features of democratic governance (Meyer-Sahling 2009 or Randma-Liiv and Drechsler 2017).

Act No. 312/2001 Coll. on the Civil Service and the amendments to certain Acts defined for the first time the legal relations in the Slovak civil service. Staroňová et al. (2014) write that the Act on Civil Service provided the legal framework for the civil service and was aimed to establish professional, impartial, politically neutral, efficient and flexible civil service. The Act made a clear distinction between political (minister, state secretary) and apolitical posts (head of office, directors general of the sections, directors of departments and other civil servants at ministries). The Civil Service Office was set up and was responsible for the implementation of the law.

Act No. 313/2001 Coll. on Public Service regulated the performance of work in public interest and of work related to the territorial self-government. In addition, specialised laws, which established the civil service of soldiers, policemen, customs officers and firefighters were adopted. The Act on Public Service was replaced by the Act on the execution of work of public interest in 2003, and was amended several times in the following years (similarly to the Act on Civil Service). Significant changes in public service legislation occurred mainly in 2006 and 2008 – connected mainly with the payment system of public servants.

In this way, the legislative framework regulating the status of civil servants and other public sector employees has been created. However, soon after the EU accession in 2004 major regressive changes took place (Meyer-Sahling 2009). The Civil Service Office, which was politically independent (Staroňová et al. 2014) operated only from 2002 to 2006, when it was repealed by the Parliament. Besides personal reasons, other factors influencing the abolition of the Civil Service Office were the lack of law harmonisation and the lack of clarity of the law on the civil service, which influenced the uncertainty concerning the role of the Civil Service Office. All of this was combined with the disseverance of individual public administration bodies to cooperate with that office. Staňová's (2014) evaluation of this period is symptomatic:

[In my dissertation] ... I look at how EU, SIGMA, government and opposition political parties, bureaucrats and the public affected the political decision to establish the Civil Service Office in 2002, restrict its competences in 2003 and abolish it

in 2006. The findings may not surprise those that are already acquainted with the topic. What will surprise them is how much evidence is available out there and how much it contradicts some of the well-known theoretical and practical assumptions.

In 2009 the Civil Service Act was significantly amended, but not in favour of improving the recognition of basic civil service standards in the Slovak conditions. This change especially increased the space for politicisation and nepotism in the civil service. Almost all, if not all existing independent evaluations indicate that strengthening the capability of the state civil service in the Slovak Republic in the future is a crucial factor in ensuring an efficient and effective public sector (OECD 2015) and shall be addressed by significant legal and executive changes.

According to Meyer-Sahling (2009) Slovakia (together with Poland and the Czech Republic) represents a group of “destructive reform reversal” countries. Not only the Civil Service Office was abolished, but most of the main civil service principles are not well respected by legislation and especially the practice in Slovakia. Open competition for civil service posts is formally established, but in reality patronage is the main principle for the selection of new civil servants, especially in higher posts (Staroňová et al. 2014).

The civil service in Slovakia is also far from the ideal of political neutrality. The legislation and the practice give virtually no guarantees to the senior civil service appointees, making these positions susceptible to political appointments and political pressure. Managers – from the top state secretary/deputy minister down to the head of unit/division – can be “relieved of their duties” at any time and without reason (Meyer-Sahling 2009, 40).

Another dimension involves performance evaluation and performance pay (Nemec et al. 2005, 2008). The basic salary is fixed, but the allocation of any non-predetermined premiums is fully arbitrary and varies in structure and number. Discretionary personal performance bonuses can account for up to or exceeding 100 % of the basic salary grade established in the Civil Service Act. This makes for a complicated and opaque remuneration system with a high element of discretion for managers to augment the salaries of their staff (OECD 2015). For the majority of the authorities the performance appraisal (if existing at all) is not at all related to remuneration, i.e. the link to a salary is missing, although the performance salary component is far from being marginal. Because (including all premiums) heads of service offices and directors-general are occasionally paid salaries that are as high as the salaries of top managers in the private sector, this situation is alarming.

To respond to existing gaps – but in reality probably because this issue was an EU conditionality (directly mentioned in EU Semester documents) the Slovak government prepared the new draft Civil Service Act that started to be discussed in the Parliament in late October 2016. The law is in force as of 1 June 2017. Several important changes are included in the new Civil Service Law.

The list of core civil service principles defined at the beginning of the law significantly changed. The old law included the following principles – professionalism, political neutrality, impartiality, efficiency, stability of employment and ethics. The new law lists the following principles – professionalism, political neutrality, impartiality, efficient management, legality, transparent employment, transparent and equal remuneration, stability and equal treatment. From the newly formulated principles, especially the principle of transparent employment is clearly codified also by paragraphs of the law (see later text). A new part on the protection of privacy in the working place was added. The new category – the redundant civil servant – is defined by the new law, important for paragraphs about dismissal.

The first core change is the establishment of the Council for Civil Service (not Civil Service Office). The Council is the coordination and monitoring body and consists of five members, elected by the Parliament. One member is proposed by the Parliament, one by the Ombudsman, one by the President of the Supreme Audit Office, one by trade unions and one by the non-profit sector. The Office of the Government is the core executive body in the civil service area. It is responsible for the uniform implementation of the law, systemisation, issues directives, controls, manages the civil service information system, initiates the first part of the “mass recruitment” process and issues the Code of Ethics.

Systemised civil service positions and the civil service information system are newly established institutions. The term “organisational change” is more exactly defined by the new law – important for paragraphs on dismissal.

The second core change is connected with the processes of recruitment. According to the new law, open competition is compulsory (except for defined cases), and the process of competition is strictly regulated (written and oral examinations). Individual or “mass” recruitment procedures are possible, depending on the concrete situation.

The salary scale is modified – changing the number of salary classes from 11 to 9. The salary class is the base for remuneration with a fixed salary level. The final salary is also fixed and calculated by multiplying the salary class level by the coefficient for the length of service. An interesting issue is the fact that the lowest salary in the salary class is below the level of the minimum wage (419.50 EUR versus 435 EUR).

The third core change is connected with a more precise definition of the processes of dismissal and increased protection of a civil servant against irregular dismissal.

The fourth core change is the introduction of exact rules for performance evaluations of civil servants. The evaluation is conducted by the supervisor and is realised every year. Four criteria shall be evaluated – knowledge (max. 30 points), competence (max. 20 points), performance (max. 40 points) and personal development (max. 10 points). If a civil servant receives less than 25 points, the evaluation is non-satisfactory. After two such evaluations a civil servant can be dismissed.

The list of changes described above shows that Slovakia was pushed by EU pressure to “return” the incorporation of main civil service principles to its legislation. The fact that this happened only as the response to external pressure supports our arguments in the previous part. It documents that rather limited social accountability, nepotism, favouritism and political control over civil service are real values for most if not all Slovak politicians.

## **5. Local self-government**

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Local government is a fundamental part of the public administration of a democratic state. The subsidiarity principle expects that social and political issues should be dealt with at the most immediate (or local) level that is consistent with their resolution (for the local level this principle is the core element of the European Charter of Local Self-Government). However, the territorial, political, and administrative organisation of local governments have different characteristics in each country (Baldersheim and Rose 2008) and the question of the optimum size of self-governments does not have a final answer. The discussion on fragmentation versus amalgamation has been a frequent issue of the academic literature in the last twenty to thirty years, see, e.g., Bours (1993), Dahl and Tufte (1973), Denters (2002), Goldsmith and Page (1987), King (1984), Mouritzen (1989), Newton (1992), Nielsen (1981), Rose (2002) or Swianiewicz (2010).

To a relatively large extent the municipalities in Slovakia carry out internal and delegated responsibilities. The main service delivery responsibilities allocated to them in 1990 were local public transport in larger towns, construction, maintenance and management of local roads and carparks, public spaces, public green areas, public lighting, market places, cemeteries, local water resources and wells, water supply networks, sewerage and water cleansing establishments in small municipalities; construction, maintenance and management of local cultural establishments, parts of sport, leisure and tourist establishments; children’s homes; part of the ambulatory health service establishments; establishments of basic social services (daily care). During the “decentralisation” period of 2000–2005, municipalities received new responsibilities in the areas of road communications, water management, registration of citizens (delegated responsibility), social care, environmental protection, education (elementary schools and similar establishments – partly delegated responsibility), physical culture, theatres, health care (primary and specialised ambulatory care), local development and tourism. A large portion of these competencies was reallocated from direct ministerial responsibility (hospitals, education, etc.).

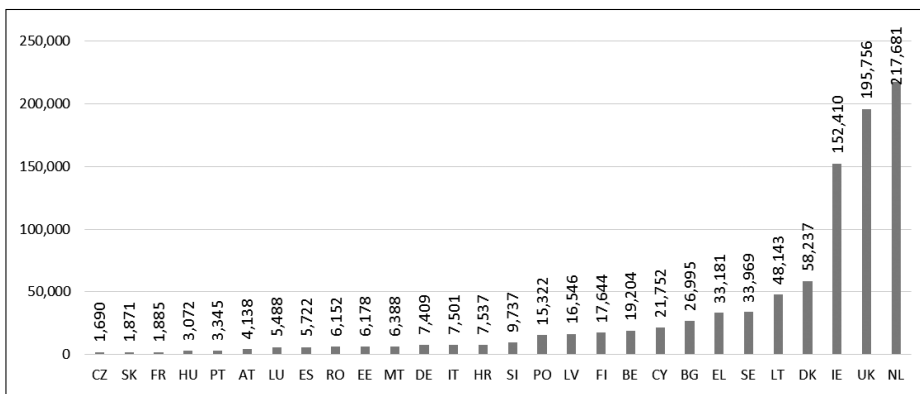
Within the limits as set out by law Slovak local self-governments have their own budgets and assets and may issue ordinances that are binding for all individual or corporate bodies within their jurisdiction. Only parliamentary acts can super-

sede or invalidate these ordinances, and any modification of the powers of local authorities must be decided by Parliament. Barring statutory exceptions, local authorities are independent of State supervision (for more, see for example, Bucek and Nemeč 2012).

### Fragmentation

“Thanks” to the 1990 and 2000–2005 changes the Slovak municipal system is very close to all principles stated by the European Charter of Local Self-Government – as confirmed by the Council of Europe monitoring report which was approved in early 2016. According to the Council of Europe and experts’ evaluation the core remaining issues are finance and fragmentation. Municipalities are “equipped” with almost total freedom, large-scale responsibilities, but many of them are very small (Figure 1) – however, in terms of competence all municipalities are equal.

**Figure 1**  
Average population per local government entity in EU



Source: EUPACK

Nowadays, there are 2,890 municipalities in Slovakia. The average municipality population size in Slovakia is only 1,870 inhabitants, and the average Slovak municipality has approximately 17 km<sup>2</sup>. Only two cities, the capital city Bratislava and Košice have a population size over 100,000 inhabitants (approx. 430,000 in Bratislava and 250,000 in Košice). According to the last general census (2011), only seven other towns/cities have a population over 50,000 inhabitants. Almost 70% of all Slovak municipalities have less than 1,000 inhabitants, and only slightly more than 16% of the total population of Slovakia lives in them. Furthermore, several years ago, the smallest municipality, Prikra, had only seven inhabitants, (nowadays it has 12) but according to the relevant legal provisions it has the same competence as the largest Slovak municipalities/towns.

Three steps relating to decentralisation have been planned in Slovakia since 1989: 1) devolution, 2) fiscal decentralisation, and 3) territorial consolidation. However, after the implementation of the first two steps no central government had any interest in continuing with these processes and all of them preferred the status quo (Klimovský 2015). Because the forced amalgamation from the central level is still politically impossible, the option to cope with possible economic and implementation problems, connected with municipalities which are too small, is inter-municipal cooperation (IMC).

The municipalities' right to cooperate has been implemented in Slovakia since 1990. The basic legal provision on the IMC is explicitly mentioned in the Constitution of the Slovak Republic (No. 460/1992). More detailed legal provisions are written in the Municipal Act, according to which each municipality is entitled (within the performance of their own powers) to cooperate with other territorial and administrative units as well as with the authorities of other countries which carry out any local functions. They also have the right to become a member of international associations of territorial units or territorial authorities. If it is necessary to establish any specific body (institution) for the purposes of the IMC, such a body can command only private status. Despite the fact that there is no special law on the IMC in Slovakia, the Ministry of Interior of the Slovak Republic published a methodical instruction on establishing the joint municipal offices in 2002. In addition, direct as well as indirect legal provisions linked to the inter-municipal cooperation can be found in some other acts, e.g. Municipal Property Act (No. 138/1991).

Nowadays, there are more than two hundred joint municipal offices (*spoločný obecný úrad*) in Slovakia; according to data from the Ministry of Interior of the Slovak Republic, there were 235 JMOs on 31 December 2011; in comparison, there were 233 JMOs in 2014. The JMOs exclusively execute the delegated state administration, e.g. in the field of building permission, primary education, environmental protection, social care and social services or urban planning (Tichý 2005). The JMOs are of a voluntary nature, but the established JMOs are, to a certain extent coordinated by the Ministry of Interior in order to ensure proper and comparable discharge of their tasks. There are significant differences between the JMOs: one can find both single-purpose and multi-purpose JMOs; each municipality can belong to different JMOs for the execution of different tasks; most of the municipalities belong to the JMOs which consist of several municipalities but, the largest JMO provides its services on behalf of 80 municipalities (Klimovský 2014). In this way the problem of limited capacity of small municipalities is somehow addressed – but only for delegated responsibilities.

The association of municipalities to deliver own original competences is much less frequent and is mainly connected with the use of EU funds. Except for a limited number of joint service delivery bodies (especially in the waste management area) voluntary institutionalised regional/local associations are represented

by two core sub-groups – Euro-regions and micro-regions. The micro-regions have not yet been legally defined, but usually they are territorially small units involving a minimum of a few municipalities that have a common historical development, economic interconnection, etc. Their nature is based on voluntary association, and sometimes they do not respect official administrative borders. Furthermore, some municipalities are involved in more than one micro-region. Many micro-regions were established in order to strengthen the “fundraising” capacities of local self-governments involved, especially in the field of EU funds, and most of them declared cooperation in the fields of development planning, project management, environmental protection and tourism. Concerning the status of the micro-regions, there are no direct legal provisions aimed at them. From this perspective, it is no surprise that their status vary a lot (some of them have the status of non-profit organisations, some of them are civic associations, and some were established as associations of legal entities).

The Institution of the Euro-regions is also a platform for the development of the inter-municipal cooperation and includes different regional development stakeholders from at least two neighbouring countries. Their activities are usually linked to development planning, project cooperation, cross-border cooperation, experience as well as knowledge transfer, mutual promotion and tourism.

To conclude we may state that local self-government capacities are legally very well defined and secured – Slovakia is sometimes called decentralisation champion (Klimovský 2015). However, the positive impact of this situation is limited by too high fragmentation – there is no doubt that some municipalities are simply too small to execute the full set of their original and delegated responsibilities. This issue is not addressed and probably will not be addressed in the foreseeable future (Klimovský 2015). Two core and many small barriers block such change. The core political issue is the strong political opposition; especially on the municipal level (independence is a much higher value for mayors than, for example, efficiency – see Bucek and Nemeč 2012). The implementation barrier is connected with the fact that there are no comprehensive data available for the preparation of such change. There is no optimum size of a municipality, and according to existing academic research the scale economies (savings thanks to the larger size) cannot be confirmed for the full block of municipal services (for example according to Matejova et al. 2017, the economic optimum really differs for different services, or does not exist at all). In this situation poor political decisions about the minimum size could lead to massive mistakes (see examples of other CEE countries, like Georgia, revisiting its amalgamation too early after realising it). In this situation the central government and especially the Ministry of Finance and the Ministry of Interior should promote much more effectively all forms of municipal co-operation and especially the establishment of joint municipal offices for delegated competencies (or it might be possible to follow the Czech example of different categories of municipalities from the point of view of delegated responsibilities).



## 6. Conclusions

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The Slovak Republic realised two core phases of public administration reform after becoming independent in 1993. These are the “decentralisation reform” after 2000 and the current ESO reform (with a focus on electronisation and better service delivery). Both reforms used significant inputs and delivered visible outputs, but outcomes maybe less so. After 25 years of reforming, Slovakia lags behind the EU average level for most governance quality indicators (as mapped, for example, by Thijs et al. 2017). The set of factors determines that reform inputs and outputs are not well converted into outcomes, results and impacts – including path-dependence, limited citizen and third-sector participation, politicisation, lack of accountability and responsibility and realisation of “reforms to reform”, to distinguish itself from previous governments. Path-dependency determines the behaviour of all main actors (politicians, bureaucrats, citizens and businesses), and this problem cannot be addressed in short term perspective. A frequently mentioned issue is over-politicisation – especially on the central level. However, how can politicians be motivated to switch from politics to policy? Effective answers are very difficult to find, especially when voters do not demand real governance.

Several lessons can be derived from our study, with validity for all countries with a similar internal environment (lack of accountability and responsibility, and priority of politics over real, evidence-based public policy). Maybe the core issue is that “real” reform changes, delivering not only outputs, but also outcomes (measurable but also non-measurable outcomes) and impacts, in countries like Slovakia still need external support and pressure – to push ruling government to switch from “pure politics” to real policy making. This fact should be better reflected by international bodies, especially the EU – as EUPACK results indicate, the EU semester and EU funds are important, but maybe not fully effective tools today.

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