

## *The Croatian Public Administration Is in a Stormy Period*

*Ivan Koprić\**

Text contains the author's presentation at the International Political Science Association's XXI World Congress of Political Science in Santiago de Chile, 12-16 July 2009. A composite theoretical frame for comparative analysis of national bureaucracies and public administrative reform policies was presented. It comprises contributions from both neo-institutional theory and organisation theory. It shows significant scientific productivity, enabling us to better understand and interpret similarities and differences between national bureaucracies and reform policies. A short *croquis* of the Croatian case was presented. The presentation follows a case study pattern that contains: an outline of the particular administrative system; the phases in its development; the main problems; current reform efforts, including documents on reform policy; perceived environmental influences; and possible future development with the main reform proposals.

---

\* Professor and Head of the Chair of Administrative Science at the Faculty of Law, University of Zagreb; dean of the Social Sciences Polytechnic in Zagreb; and president of the Institute of Public Administration (redoviti profesor i predstojnik Katedre za upravnu znanost Pravnog fakulteta Sveučilišta u Zagrebu, dekan Društvenog veleučilišta u Zagrebu i predsjednik Instituta za javnu upravu)

*Key words:* comparative analysis, neo-institutional theory, organisation theory, Croatian public administration, public administration reform policy, case study, national bureaucracies

Quite opposite to the common public metaphor on public administration as sleepy, slow and secretive bureaucracy, the Croatian public administration looks like a windsurfer. It rides the waves of domestic political storms and foreign doctrinal (i.e. NPM) and organizational influences, business community attacks, and European coincidences, desperately asking for institutional stabilization, ethical standards and professionalism.<sup>1</sup>

On the one hand, after reading my paper, one could have an impression of deep politicisation of the Croatian public administration. On the other hand, I hope I have succeeded in showing huge national problems and tasks that should be resolved and accomplished. National, domestic political actors should take responsibility for this. Be that what it may, in the short period after I sent my conference paper, significant political changes have occurred.

Former Prime Minister, Ivo Sanader, resigned at the beginning of July, for unknown reasons. The new Croatian Government was elected a week later by the Parliament (Hrvatski sabor) from the same political coalition. Jadranka Kosor became the first female Prime Minister in post-1990 period. I want to stress that the new Ministry of Public Administration was established as part of that political change, on the ground of former Central State Office for Public Administration (see also Koprić, 2008). I launched such a proposal during the Functional Review Project in which I participated during 2008. I also advocated for the Ministry in my present paper (Koprić, 2009: 20, 27). From this change we can observe genuine political processes as a source of significant environmental uncertainty for public administration as a whole.

---

<sup>1</sup> Presentation made at the International Political Science Association's XXI World Congress of Political Science *Global Discontent? Dilemmas of Change*, Santiago de Chile, 12–16 July 2009, Research Committee on Public Policy and Administration, Panel 2: Modernising Government: Global and Comparative Perspectives, Convenor: Leslie A. Pal. The presented paper will be published elsewhere.

However, when I was about to propose this conference paper, I was wondering about the kind of theoretical frame for comparative analysis of public administrations and public administration reforms.

I consider, as many others, that comparative experiences are a basis for learning. Comparative analysis is a complex, yet potentially productive task, in terms of understanding problems and producing new knowledge. Also, I think we should let us be affected and infected with experiences from abroad. It should not be forgotten that country specific elements (idiosyncrasies) should be stressed, also. They are a basis for specific institutional pace of development.

Without going deep into details of such theoretical frame, it seems that case studies of national bureaucracies and reform policies, as a base for comparison with other countries, should address at least the following issues:

- a) outline of particular administrative system,
- b) the phases in its development,
- c) the main problems,
- d) current reform efforts, including documents on reform policy,
- f) perceived environmental influences, possible future development (and proposals, if possible).

In doing so, my approach would be holistic and systemic, but based on scientific scrutiny, meaning relaying on reliable data, authentic qualitative insights, etc. I also think that neo-institutional theory, both normative and historical, and organisation theory, with its notions of internal complexity, environment complexity, interdependence, etc., gives a composite theoretical ground which enables us to better understand significant and large problems of designing and implementing public administration reform policy.

Such a theoretical frame warns us, for example, that:

First, contemporary public administrations are becoming more and more complex, with a lot of new tasks, functions, goals, subjects, organisations, and arrangements with the other sectors in society (private, civil, non-formal). For that, more and more complex knowledge, skills, abilities and competences of public servants are needed. The relations within and between public administration subfields (state administration, local and regional self-government, public services – services of general interest) are almost constantly changing.

Second, contemporary public administrations function in increasingly complex and dynamic environments, both international and domestic (just to mention Europeanisation, international organisations' influence, changes in influential administrative doctrines, but also domestic political system, business community, the civil sector, academic community, etc.).

Third, the complexity of public administrations stems, to a substantial degree, from value complexity. Public interest, as a main pillar of every national bureaucracy, is nothing else but specific mixture of shared values and citizens' expectations. However, important values are evolving and differentiating constantly. We have at least five groups of values relevant for contemporary public sectors, democratic (political), legal, social, ecological, and economic values.

Four, different countries answer similar challenges from complex domestic and international circumstances in a different manner, choosing different administrative reform strategies (to maintain, to modernise, to marketize, to minimize; Pollit, Bouckaert, 2001: 179). In doing so, they are trying to build certain pieces of national administrative traditions or specific reform policy orientations into, for example, European Administrative Space or to influence through them even global administrative processes. Etc.

On such a theoretical base, I made a case study of the Croatian public administration reform. Let me say a few words about Croatia at the beginning.

Croatia acquired independence at the very beginning of the 1990ies. We had significant self-management legacy inherited from socialist period. There were Serb rebellion and war with the former Yugoslav Army and Serbian paramilitary forces in the period 1991-1995. They postponed political development and caused huge economic and demographic loses, asking for a very demanding and expensive reconstruction. There was a strong need to strengthen the private sector, which resulted in rough and, seems to me, wrong way of privatisation of the so-called social ownership. However, such a privatisation has resulted in significant economic way of thinking, neo-liberal tendencies and managerial doctrine in the public sector. Finally and very recently, Europeanisation has raised the issue of good governance.

The Croatian public administration development can be systematised in three phases. It was developed in the frame of semi-presidential political system and conditions of war, in the period 1990-1993. Considerable new parts of state administration were established during this establishment

phase (whole new ministries, etc.). The Croatian public administration faced politicisation and hidden lustration joined by simultaneous lowering of professional standards.

In the second, consolidation phase (1993–2001), the Croatian public administration faced etatisation and centralisation, a number of poor reorganisations in the state administration, and introduction of new local governance system. The number of local self-government units was increased almost six times in subsequent period. There was very slow process of democratisation. The first Law on Civil Servants was adopted in 1994.

The third, Europeanisation phase started as late as in 2001. There was the first political change after 1990 in the year 2000. A kind of new political leadership within the frame of very broad coalition Government of Ivica Račan was established. The new Government introduced parliamentary system of governance, which significantly undermined the powers of the president of the Republic. Characteristics of that phase were democratisation, decentralisation and attempts to raise professionalism in the state administration. Croatia got the European Union candidate status in June 2004 and began negotiations with the European Union in October 2005, when it established a serious institutional structure for negotiations. It consists of the main negotiation group, many working groups, and the National Committee for Monitoring the Negotiation Process (the latter is a working body of the Croatian Parliament). There is indeed some progress in reforms connected with the European Union accession.

Finally, in March 2008, the Croatian Government adopted the State Administration Reform Strategy. It can be seen as a starting point of further and maybe deeper administrative modernisation.

There are three main groups of problems with the Croatian public administration: problems of orientation, problems of motivation, and problems of implementation.

Orientation. Strategic planning is generally poor. The capacity of public administration to design and lead high-quality, long-term public policies is quite weak. The Croatian public administration is at the very beginning with regard to the ideas and techniques of better regulation, deregulation and regulatory impact assessment.

Motivation. Politicisation annuls motivation and proactive work attitude. Motivational mechanisms are underdeveloped, unused and poor. It seems we will have a second cut in public servants salaries very soon. The third one is almost unavoidable by the end of year. Professionalism and quality administrative education system are only half completed. Administrative culture is predominantly authoritarian and bureaucratic.

Implementation. The rule of law is not really alive. We have poor and partially outdated legal regulations, various meta-legal influences during their implementation, and low ethical and professional standards, especially at the middle and higher professional levels in administrative organisations. There is huge bureaucratic resistance at all levels. State's capture is noticeable – the fluctuation between the private and public sectors is the most intensive at the level of high-ranked state servants and officials. By enforcing the measures that protect the interests of particular private organisations, public administration literally becomes an instrument of the private sector instead of being in service of all citizens, community and public interest.

Croatia shows moderate reform efforts and has achieved certain results. The State Administration Reform Strategy is in a way half baked. Decentralisation is hesitant, saying quite politely, and changes in local governance system may have certain undesirable effects. Although local and regional development are about to be firmly promoted, current regional policy is a bit chaotic, unclear and certainly not well-considered. We have many new and promising reform projects on their way. The new Law on General Administrative Procedure was adopted this year and will come into force at the beginning of 2010. It provides for some administrative simplification. Administrative justice reform is well under preparation. The Law on Access to Public Sector Information was adopted at the end of 2003. We conducted two functional review projects which affected approximately half of the organisations within the state administration system. Human resource management system has been well under preparation, too. We have observable positive results with regard to national minority representation in central, regional and local politics and, to a lower degree, in public administration. In-service training system is somehow finishing the first, establishment phase, with certain difficulties, of course. The system of administrative education seems to have significant gaps. All in all, with many obstacles, difficulties and gaps, modernisation reform is on its way. It is slow, incremental and hesitant despite all pressures, even despite substantive new legal regulation that is adopted in waves.

What about the future? We can see two scenarios, an optimistic and a pessimistic one. External circumstances can be decisive, but domestic factors can also determine the future, in three directions, as far as I can see:

- to more conceptually straight modernisation,
- to the path of hesitant development (with chain of random changes),
- to the path of chaotic institutional decline.

While the first direction is the most desirable, the last one seems the least probable (or desirable?).

Finally, I listed certain reform proposals:

- Reform Strategy refinement and reform management improvement,
- A sound system of administrative education (establishment of a new Faculty of Public Administration),
- Serious structural measures,
- Substantive decentralisation,
- Better regulation (with very improved regulatory impact assessment),
- Administrative procedures modernisation,
- Two-level and effective administrative justice system,
- Civil servants motivation improvement, etc.

## References

- Koprić, Ivan (2008a) Managing Public Administration Reform in Croatia. *Hrvatska javna uprava* 8(3): 551–565.
- Koprić, Ivan (2009) Contemporary Croatian Public Administration on the Reform Waves. Paper prepared and presented at the International Political Science Association's XXI World Congress of Political Science *Global Discontent? Dilemmas of Change*, Santiago de Chile, 12–16 July 2009, pp. 1–32.
- Pollitt, Christopher, Geert Bouckaert (2001) Evaluating Public Management Reforms: An International Perspective. *Revista Internacional de Estudos Políticos* (Rio de Janeiro) 3(Especial): 167–192.

### THE CROATIAN PUBLIC ADMINISTRATION IS IN A STORMY PERIOD

#### Summary

*Text contains author's presentation at the International Political Science Association's XXI World Congress of Political Science in Santiago de Chile, 12–16 July 2009. A composite theoretical frame for comparative analysis of national bureaucracies and public administrative reform policies was presented. It com-*

*prises contributions from both neo-institutional theory (normative and historical) and organisation theory (notions of internal complexity, environment complexity, and interdependence). It shows significant scientific productivity, enabling us to better understand and interpret similarities and differences between national bureaucracies and reform policies. A short croquis of the Croatian case was presented. The presentation follows a case study pattern that contains: an outline of particular administrative system; the phases in its development; the main problems; current reform efforts, including documents on reform policy; perceived environmental influences; and possible future development with main reform proposals.*

*Key words: comparative analysis, neo-institutional theory, organisation theory, Croatian public administration, public administration reform policy, case study, national bureaucracies*

## HRVATSKA JAVNA UPRAVA U OLUJNOM JE RAZDOBLJU

### Sažetak

*Tekst sadržava autorovo izlaganje na XXI. svjetskom kongresu politologije koji je u organizaciji Međunarodne udruge za političku znanost održan u Santiagu, Čile, od 12. do 16. srpnja 2009. Izložen je kompleksni teorijski okvir za komparativnu analizu nacionalnih javnih uprava i politika upravne reforme. Taj okvir sadržava priloge neoinstitucionalne teorije (njezin normativni i povijesni pravac) i organizacijske teorije (s konceptima interne kompleksnosti, kompleksnosti relevantne okoline i međuovisnosti) te se pokazuje značajno znanstveno produktivnim, omogućujući bolje razumijevanje i tumačenje sličnosti i razlika među nacionalnim javnim upravama i politikama upravnih reformi. Izložen je kratak croquis hrvatskog slučaja, prema obrascu studije slučaja koji sadržava: pregled nacionalnog upravnog sustava, faze u njegovu razvoju, glavne probleme, aktualne reformske napore, uključujući dokumente o reformskoj politici, uočene okolišne utjecaje, kao i mogući daljnji razvoj s glavnim reformskim prijedlozima.*

*Ključne riječi: komparativna analiza, neoinstitucionalna teorija, organizacijska teorija, hrvatska javna uprava, politika upravne reforme, studija slučaja, nacionalne javne uprave*