

AUTONOMY AND DECENTRALIZATION - CURRENT PRIORITIES IN THE LOCAL PUBLIC ADMINISTRATION MANAGEMENT

University Assistant Ph.D. Candidate **Petronela ZAHARIA**

"Ștefan cel Mare" University of Suceava, Romania

Faculty of Economics and Public Administration

petronelaz@seap.usv.ro

Abstract:

Autonomy and decentralization - current directions in the local public administration management - which this study is built around, have generated extensive discussion and controversy, especially in the current administrative context. Enhancing local autonomy through the transfer of new skills in the process of decentralization has become more and more important, especially now when local administration is subject to genuine reform and restructuration.

Moreover, building an efficient administration which would respond to the needs of communities is only possible under a decentralized management, which would ensure recognition of autonomy in administrative-territorial units.

Keywords: local autonomy, decentralization, local government management, local communities

JEL Classification: H83

INTRODUCTION

Without doubt, nowadays we are witnessing significant events that occur in the economic, social and political life which critically influence the organizational and functional management of public administration. Society, state, and especially the public are faced with essential and at the same time difficult challenges. Building an efficient administration, oriented towards the needs of society is not an easy goal to accomplish and neither a short-term action.

In this context, addressing the issue of strengthening the autonomy of collectivities within the decentralization process of local public administration management is an interesting and exciting approach, especially since this subject is highly new. In fact, the reality shows that increasing local autonomy in the process of decentralization is an ongoing phenomenon in our administration, lasting in our administration for several years. Certainly, this objective cannot be a superficial one and cannot be achieved immediately, a reason for which we consider as justified bringing in the discussion these two requirements - autonomy and decentralization - needed to be performed in local public administration management.

These arguments are merely meant to outline the role of local autonomy and decentralization in assuring the welfare of collectivities within the local territorial-administrative units, and moreover, in building an effective, qualitative and last but not least democratic public administration. In addition, the acceleration of the decentralization process and the guarantee of local autonomy are requirements of the times we go through, not infrequently these goals becoming the cause of vast controversies between the state authorities and the local ones. But good governance requires the involvement of both partners - central and local authorities - to ensure the favorable climate to promote local interests and stimulate local development processes.

EMPOWERING COMMUNITIES AND DECENTRALIZATION - CURRENT DIRECTIONS IN LOCAL PUBLIC MANAGEMENT

According to legal regulations, local autonomy is the right and effective capacity of local authorities to address and manage, on behalf and in the interests of local communities they represent, public affairs (art. 3, paragraph 1 of the Local Public Administration Law no. 215/2001). Further, the law (Article 4 of Law no. 215/2001) sets the contents of local autonomy, having it be exercised only administratively and financially and concerns the organization, operation, powers,

functions and management of the resources belonging to the administrative-territorial unit. Therefore, local autonomy should not be confused with absolute independence, with a total isolation of local authorities, from central government. [1, p. 147]

Seen exclusively from an administrative point of view, local autonomy appears as the last stage of development of administrative decentralization. [2, p. 65]

Local autonomy gives sense to decentralization because it assigns a distinct status to local authorities in relation to the local authorities at central level. Essentially, this involves the transfer of functions, powers and responsibilities from the central administrative authorities operating autonomously to the territorial-administrative units. This delegation of powers takes place in the decentralization process (Article 2 letter I of the Framework Law of Decentralization no. 195/2006), which provides the authorities of the local public administration with a wide autonomy. It is important to note that autonomy and decentralization are interrelated, since on the one hand, local autonomy can be exercised only within a decentralized administrative management, and on the other hand, decentralization has as effect autonomy.

In ensuring the decentralization of power and local autonomy the starting point is the prerequisite that local authorities are best placed to answer the needs of communities as they know their problems best and, therefore, can find and identify the most appropriate solutions to solve them.

In the same order of ideas, we cannot ignore the fact that local autonomy is expressed in the elective system that allows members of the collectivities in the administrative-territorial units to self-manage through their own bodies, thus having the opportunity to solve the issues that concern them directly. In local public administration, good management problems and promotion of their interests are the responsibility of local authorities who are meant to provide local public services to meet the needs of the people in the administrative-territorial unit.

All of these local public administration authorities through which the management of the interest of local community is done and also the exercise of autonomy at local level in the decentralization process is ensured is illustrated in the figure below, based on statutory regulations in the field.

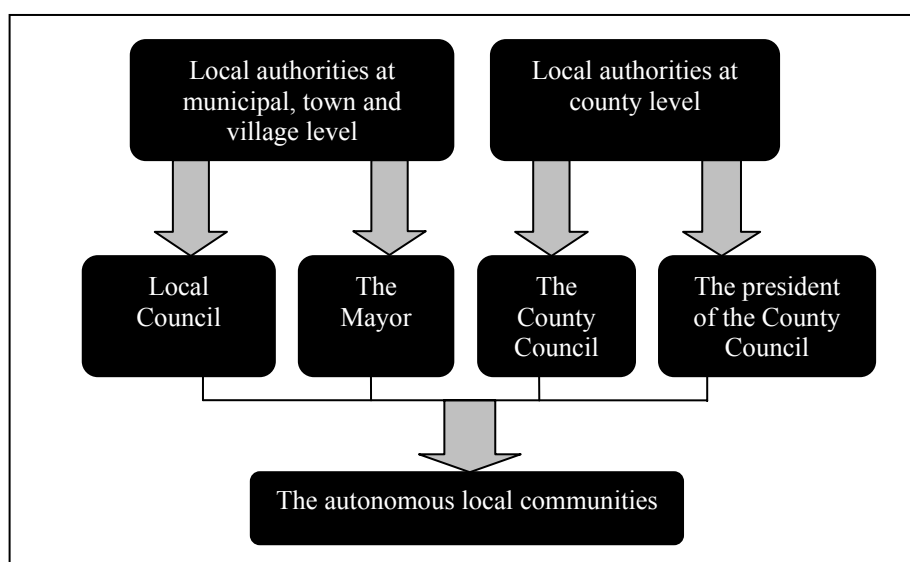


Figure no. 1. The system of authorities possessing local autonomy

Source: *own work*

The deliberative authorities of public administration in territorial-administrative units, local councils and the county councils act for the benefit of communities and make decisions that target good management of the village, town and county needs. Mayors and presidents of county councils, local executive authorities, bring out the decisions of the deliberative bodies, having as mission to

manage the affairs of the administrative-territorial units in which they are chosen for the benefit of those who have designated them.

As a justification of local autonomy, we consider important to note that both local authorities at county level and the one at municipality, city, town and village level have, in terms of autonomy, the same status. These public administration authorities which manage local interests are not placed in a hierarchical order, meaning that between the two levels there is not a relationship of subordination but of cooperation and solidarity in solving problems arising locally.

But for these local bodies to decide in favor of the community, they must have the necessary and sufficient resources needed to ensure the operational and concrete implementation of the directions for action to increase efficiency in local public administration management. In this respect, a pillar that is considered radical in implementing decentralization and strengthening the autonomy in local public administration management concerns the existence of financial resources available to the local community which it can use for self-management. Financial decentralization is considered rightly by most scholars as the backbone of the administrative decentralization system, financial resources being those that connect operationally the needs of local communities and the necessary modalities to meet them. [3, p. 66]

Thus, according to Chapter 19 - Public Administration Reform in the Government Program 2009-2012, one of the objectives of the present government is to increase local autonomy by transferring new decisional responsibilities as well as financial resources. [8]

We are in the presence of a genuine self-management only when the autonomy authorities have sufficient funds to cover the costs of management and resolution of local affairs. Lack of financial autonomy would make the notion of local autonomy without content. [2, p. 67]

Therefore, we consider appropriate to include in the current government program the financial decentralization objective, as a course of action in reforming public administration. One of the steps of materialization of financial decentralization is to increase the financial autonomy of administrative units and their local budgets revenues by:

- giving local authorities the right to change the local taxes according to local needs and level of affordability of the population;
- calculating the taxable value of buildings and land in built-up settlements by reference to their market value, where it is clearly higher than that determined by the current calculation formula;
- revision of rates of income tax deducted according to the new powers transferred to local authorities in the decentralization process;
- full allocation to local budgets of the proceeds of fines for legal persons, just as those from fines to individuals.

All these measures do nothing but to strengthen the financial autonomy as a key pillar in achieving decentralization in local public administration management.

INCREASING LOCAL AUTONOMY THROUGH DECENTRALIZATION OF PUBLIC SERVICES - POSSIBLE SOLUTION IN OVERCOMING THE CURRENT CRISIS

Decentralization and empowering of local communities are aimed at providing public services of better quality, in accordance with the requirements and preferences of beneficiaries, the upgrading of structures providing such services being concerned as well. No centralized system can meet the infinite variety of needs of local communities as well as local elected and accountable to them. [4, p. 341]

Thus, a range of public services are delivered more effectively locally. Hence the comparative advantage of the local government to the central collection of local taxes and tariffs for local public services provided. Local public administration is generally more effective in this respect because citizens are willing to pay for services that meet their needs or preferences. Therefore the right of decision regarding the administration and financing of a number of important

public services should be transferred to the authorities of the local public administration because they are the best to meet the specific requirements of each beneficiary local community.

University education and healthcare are just two of the public services for which local authorities are the best to make decisions on, regarding resource allocation.

And basically, today we are witnessing certain actions of decentralization in an attempt to make administration more efficient or, why not, in an attempt to seek an answer to remove the country from crisis response.

Thus, an essential step in this direction regards public health decentralization by transferring powers regarding the management of municipal, city, municipal, county hospitals to local authorities. This is justified in the fact that autonomous local authorities are able to better understand the basic needs of their communities when it comes to health, paying more attention to their satisfaction. Through health decentralization, the autonomous authorities can be involved in developing the health system and decide for the community they represent. But the transition of health units from ministries to local public authorities must be accompanied by funding resources, as without funding these units cannot function.

Another priority of the current government regards the implementation of the decentralization measures of powers to local public administration authorities in the field of pre-university education. In achieving this, local communities receive more rights and responsibilities in the administration of schools, the decentralization of the education systems being a necessary and long-awaited process step in terms of efficient administration of public services. But the transfer of management skills in schools must be accompanied by an appropriate level of financial resources, especially given that currently central authorities give the highest part of the funds and are involved in major decisions on education.

And, of course, the list of public services forming the subject of decentralization is not exhausted only by presenting only the above. Moreover, the degree of autonomy at local level depends on the number of public services given to the competence of public authorities in the territorial-administrative units.

The decentralization is intended to confer a wide autonomy to the management of local communities, allowing the latter to define their own rules of action and to choose their means of intervention. In other words, decentralization offers local public administration the possibility to express a degree of originality in its activities. The decentralization process is conducted for the benefit of citizens by strengthening the power and the role of local public administration for sustainable economic and social development of the territorial-administrative units.

Thus decentralization creates prerequisites for strengthening the autonomy of local authorities by:

- coordination by local authorities of public services in accordance with local characteristics and needs;
- efficient use of financial, human and material resources, problems in solving the problems of local communities, which local government authorities perceive better than the bodies from the center;
- meeting the conditions promptly, according to the specific requirements and local priority needs of the administrative-territorial units;
- promotion of participatory management in the administration and governance of each administrative-territorial units.

In enhancing autonomy and decentralization, responsibility in local public administration management is the task of the autonomous authorities that are representative of local communities.

CONCLUSIONS

Taking into consideration the issues exposed in this paper, we conclude that, at present, in the management of local public administration we are dealing with a great challenge. It is called local autonomy and decentralization.

And for an effective public administration to be possible, autonomy and decentralization should not remain only on paper. If the situation is such, local authorities lose their main role of local actors who should represent the collectivity and in whose interests should act with priority, being unable to take new transferable skills and ensure their efficient management. Where is the autonomy if they needed approval from the center in managing local affairs? Is it a good idea to decentralize the management of public administration? Can it work if local authorities are passive observers of this process?

These are questions that call for discussions in the central administration and in that of administration in the territorial units, both having to identify the levers and tools for the implementation of the decentralization and strengthening of local autonomy. Clearly, we have a genuine and strong governance structure when the central structures do not retain complete responsibility and power within their reach, but share it with the governing bodies of the administrative-territorial units, possessors of local autonomy, which are entitled to exercise this autonomy on behalf of the community and for the community.

REFERENCES

1. Iordan N., (2010), *Local public services management*, C. H. Beck Publishing House, Bucharest
2. Munteanu V.A., (2009), *Local public management*, Tipo Moldova Publishing House, Iași
3. Dogariu E., (2010), *Study on the local financial autonomy in Romania*, Theoretical and Applied Economics, Volume XVII, No. 6(547), pp. 65 – 73
4. Tudor F., (2009), *Financial inconveniences of decentralization*, Studia Universitatis "Vasile Goldiș" Arad, Științe Economice Series, nr. 19, Partea a III-a, pp. 340-344
5. Scutariu A.L., (2011), *Aspects regarding rural tourism and its perspectives in the North-East region of Romania*, Petroleum-Gas University of Ploiesti Bulletin, Economic Sciences Series, Volumul LXII, No. 4, pp.93-104
6. *** Local Public Administration Law no. 215/2001, published in the Official Gazette no. 204 of April 23, 2001
7. *** Framework Law on Decentralization no. 195/2006, published in the Official Gazette no. 453 of May 25, 2006
8. *** The Government Programme 2009-2012 available online on http://www.gov.ro/programul-de-guvernare-2009-2012_c1211p1.html