

Transformation of political elites and public service in Lithuania, Latvia and Estonia

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Corruption Perception Index 2011-2013

Rank (in 2011 total 180- in 2013 total 177 countries)	Country	Score (2011 - 2013)
29-28	Estonia	6.4 -68
50-43	Lithuania	4.8 -57
61-53	Latvia	4.2 - 53
143-127	Russia	2.4-28
143-123	Belarus	2.4-31

Monitoring as a cure ?

The 2013 CPI draws on numerous surveys:

- Estonia and Russia- 9, Latvia and Lithuania - 8 and Belarus – only 5.

The CPI includes only sources that provide a score for a set of countries and which measure perceptions of corruption in the public sector.

To qualify, the data collection method must be well-documented and the methodology published to enable an assessment of its reliability.

<http://cpi.transparency.org>

EE, LV and LT: different institutional features of political elites

- Semi-presidential (**role of the LT President**) or parliamentary democracies
- **Left-right scale** (economic dimension prevails)
- Coalition governments (**LT-oversized, in EE coalition agreements on policy content**)
- External leverages, OECD, Europeanization (LV)
- Public administration: **political Independence or state politicization** and professional expertise of public servants

LITHUANIA, Chapel Hill **economic left-right**

Mean	2,3	3	3,9	4	4,2	4,1	4,3	4,3	4,3	6,3	7	7,2	8,1	8,2	8,2
Party	LRS	LDDP	LLRA	VNDS	NS-SL	TT	LKDP	LSDP	DP	LCS	TS-LKD	PDP	TPP	LRLS	LLS /LiCS

LITHUANIA, Chapel Hill **GAL/TAN**

Mean	2	2,5	4	4,2	4,5	5,1	5,2	5,5	5,8	6	6,9	7	7,3	8,2	8,8
Party	LRLS	LRLS /LiCS	LDDP	LCS	TPP	PDP	NS-SL	LSDP	DP	VNDS	TS-LKD	LRS	LLRA	LKDP	TT

Lack of **party cooperation** leads to state politicization :

4 sets of obstacles to party cooperation:

- unstable (LT), polarised (LV), cartel (EE) party systems;
- “the rules of the game” legitimising party patronage;
- dense party networks and their building through patronage (Kitschelt 1999);
- insufficient regulation and weak enforcement of the **merit principle** in state administrations.

Party patronage and state politicisation

Among motivations for politicisation:

A. RATIONAL CHOICE

- rewarding the loyal members of political parties,
- controlling the decision-making process,
- etc. ?

B. CULTURE

- political culture, tradition, communist heritage ?
- organizational inertia,
- logics of appropriateness (vs. logics of consequences)...

Key-terms: politicisation, party patronage

Politicisation - decision-making and public management, where professionalism and merit are replaced by political /partisan criteria.

The power of political parties to make partisan appointments to positions in the public/civil service stands for party patronage.

Party patronage materialises in the appointment and dismissal of heads of **public sector organisations**, as well as other civil servants holding managerial positions (railroads, shipping companies, central post office...)

Positions could be politicised *de jure* (**by officially replacing career positions with political ones**) or *de facto* (when the appointment of career servants is informally politicised).

Clientelism, political corruption

Political parties can also exercise political **influence over other government decisions**, such as the structure of individual public organisations or financial management.

The concept of party patronage is intertwined with other concepts, such as **clientelism** (defined as releasing a benefit from a political party to an individual in order to obtain electoral support) or **political corruption** (here, defined as illegal public decisions taken by parties in order to obtain financial resources, *not studied by the CPI*).

Baltic states in 1990s: nation-state driven PA reforms

- Westernize and democratize - reform Soviet bureaucracies
- OECD
- Copenhagen criteria
- EU has no coercive power (or clearly defined *acquis communautaire*) in the sphere of PA (“soft” forms of governance)

Process tracking

- The first civil service laws adopted in mid 1990s, numerous amendments
- Modernization efforts similar in 3 countries, but paths undertaken - different

Estonia

- Early 'clean / sharp break with the past'
- NPM
- Image making
- Liberal state

Latvia and Lithuania

- Discontinuous reforms **LV** and late reforms **LT**
- Reluctant to embrace NPM
- Lack of administrative capacities

Lithuania

- 'Latecomer' and 'slow'
- Political and administrative confusion (electoral pendulum effects) - **back to the Chancellery of the PM in 2012**
- Inexperience
- Heavy workload
- Traditional Weberian administrative culture (no enthusiasm for the NPM)

LT: lack of an ‘overall strategy’

N of ministries trimmed from 19 to 14 (13 and then 14 again)

- elimination of overlap between organizations
- under whose jurisdiction GMO, palliative care
- 2013 Ministry of Economy “optimization of regulative institutions”

Task of downsizing public organizations, control and improve quality of public service –

Min. of Public Adm. Reforms and Local Authorities (1994-2000)

LT in 1999: Law on civil service

- is a subject to the rule of law,
- fosters equal opportunity based merit,
- is governed by political neutrality and
- transparency.

Frequent changes of the LT government for a coherent strategy of PA reform to have a chance to take shape, up until 2004?

Explaining bumpy journey of LT

- In relation to its population, the fewest PA personnel of the Baltic countries (in Poland 100,000 officials, in LT- 11,000 but the tasks are the same!)
- Difficult to retain qualified personnel in PA, they move to the private sector
- Level of proficiency in Lithuanian + not cooperated with KGB
- Need to re-train the personnel (LIVADIS in 1999)
- Lack of culture of IMPLEMENTATION, focus rather on 'legalisation' (rules)

LT administrative tradition

Executors of laws (as in FR, Germany)

- not flexible managers, implementing the intentions rather than the words

Bureaucratic values:

- focused on procedures
- centralization of power
- strict accountability
- reluctance to innovate (with NPM).

Open communication with citizens ?

More NGOs and community inclusiveness ?

LATVIA

Economic decline in early 1990ies, less attention to PA – more to ‘hard economy’

5 Principles of the 1993 PA law:

- Trust
- Applicability
- Career
- State care of civil servants
- Ethics

De-politization and professionalism

- open competition
- principle of merit

Early LV reforms

Dismissal of all ministerial personnel –
nomenklatura culture

Ethnic Russians excluded

Young Latvians enter PA

Banking crisis, corruption

Ministry of State Reforms abolished in 1995

LV renewed attempts 2000

Upon EU critiques and encouragement

- a special **ministerial portfolio** to deal with PA 2000
- a special branch of strategic planning within the State Chancellery
- anti-corruption strategy

LV PA problems and solutions

Turnover of employees (for instance, in the Ministry of Justice in 1998-2005: 30%)

Low salaries

Short-term contracts (students)

Management contracts (reimburse if a civil servant leaves PA in 5 years)

Supplementary benefits

Latvian diasporas coming back to Riga pro-Western Latvia's Way, NPM orientation, commercialization of the public sector (agencies).

Estonia – success story (image)

NPM strategies

Eagerness to reform not always matched by actual implementation

Weeding out the past: radical replacement of old personnel

EE: new young people

Trust

- being non-communist and non-Russian
more important than **skills**
- appointments based on new party loyalty, not
on competence

Recruitment criteria- **language** and **age**.

“The less bureaucracy we have, the less communist we are”!

Smart EE

Small N of ministries (9?)

1999 PA given a political priority

Principles:

- Openness and transparency
- Legitimate and fair administration
- Efficiency and effectiveness
- Protect rights of individuals
- **Subsidiary principle**

EE: PA modernization

Performance management model (PMM)

SMART objectives

Gap between 'talk' and 'walk'...

PMM presupposes **trust between politicians and officials**, but since late 1990 – a constant arm-wrestling match between the two

Minister can fire civil servants if they are viewed as inefficient

Officials become politicized (personally loyal)

Large cohorts of civil servants with only 5-10 years of PA service

EE PA progress

E-government

Innovative culture

Personnel even recruited from private sector

Headhunting

Non-professional alliances (loyalty) between
politicians and officials might lead to political
instability

Perpetuated discontinuity and mistrust

3 Baltic cases compared

Continuity:

- LT, LV

Weberian PA (process):

- lack of adm. capacity
- rule following *in principle vs. in practice*
- eager to learn (twinning)

Not announcing what one is going to do creates an impression of passivity. The more one reports, the better one looks. Reporting creates activity

- LT and LV

Image building

- EE since 1990,
- LV since late 1990ies,
- LT only in mid 2000.

Rupture

- EE

Exclusion

- EE of Russians and communists;
- LV of Russians;
- LT of political opponents

NPM: objectives and results (not a process)

- EE

Politicization of PA

- high in EE

EU leverage

Monitoring activities and external communication

Regulative, inquisitive and meditative forms of governance (EU and OECD standards, consultants)

Convergence

Conditionality was important

Backlash after 2004?

Political interference is in deep conflict with such principles of a career civil service model as merit, professionalism and neutrality.

Despite some professionalisation of HR management as a result of their accession to the EU, the **return of politicisation** was observed at the level of top appointments after EU membership (World Bank, 2006; Meyer-Sahling, 2009).

Further reading

Granquist Eva, Wallin Emma. Opening up for change. Modernizing public administration in the Baltic states// Jacobsson Bengt (ed.). *The European Union and the Baltic States. Changing forms of governance*, Routledge, 81-97.

SIGMA Reports (EU and OECD)

Questions? Comments?

Let's discuss!

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