LOCAL PUBLIC MANAGEMENT IN THE MODEL OF MULTI-LEVEL GOVERNANCE: CHALLENGES AND OPPORTUNITIES

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Summary: The presented article is dedicated to the role of local public management in the model of multi-level governance. The problem of local public government in the multi-level governance (MLG) model is of particular importance, especially, in the light of current collapse of the Cohesion Policy in the European Union (EU). This policy has been very important for regional development in the recently acceded member states of the European Community, and particularly significant for countries in Central and Eastern Europe. The article presents the essence of MLG-level governance as a tool of modern management in a diverse EU. The place and role of local government in the model of MLG will be predominantly emphasized. Another important issue for the Public Management in the MLG model in the context of diverse EU is the process of making decisions, and taking over some functions of the national state by other actors, such as local authorities or non-governmental organizations (NGOs). MLG development seems to be particularly important for European integration and its economic and social cohesion in the current crisis of community policy.

Keywords: multi-level governance, local public management, cohesion policy

1. INTRODUCTION

The reactivation of the local government in Poland in 1990 was followed by establishing the municipality as the basic unit of administrative and territorial division of the country. Thus, territorial authorities have been separated from the central government. This change resulted in the decentralization of power and an awakening of civic attitudes of local communities. People could take responsibility for the fate of their local homelands and local government as a basic unit of state power could fulfill public tasks by having its own property (assets), the budget and its own administration (Wojciechowicz, 2003: 7).

Local government is an organization - this obvious claim raises a number of important implications. The most important one is the need for recognition of its operations from the perspective of management. With regard to this aspect of a local government one can encounter two different terms: „local government self-management” and „local government management.” The literature presents the first term more often, but it seems more appropriate to use the term „local government management.” A reason for this is that the local government as an organization is in the process of management, while the concept of “government self-management” may suggest that the local government manages various processes, but the local government itself is not a subject to management, what seems contrary to the superficial perspective of the complex, social, legal and political reality.

Present changes in the public management lead towards a model called the New Public Management (Zawicki, 2002) the management of public administration is slowly transforming from a bureaucratic system (mainly based on procedures) towards the efficient system open to the effective realization of objectives.

1 The term 'governance' is also present in the scientific literature (M. Zawicki, 2002).
This transformation is partly influenced by a gradual impact of market mechanisms on the functioning of a public administration and an increase in need for local communities’ participation in making decisions in local government, not only during the elections of local authorities, but also during the performance of its statutory duties. Hence the growing interest in public consultation, research on social preferences and deliberations used as tools of ongoing monitoring of local authorities activities by the local community.

The concept of new public management brings the public sphere management closer to the model of entrepreneurial management (Zalewski, 2007: 26). This involves primarily the focus on goals rather than procedures (as is the case of classical bureaucracy), and cooperation with other private and non-governmental entities while treating citizens as customers. It should be added that relationships between government entities and the clients are of polycentric and not hierarchical nature, which form a network with all its consequences. For example, the system deals with regulation rather than redistribution (Szczerbski, 2005: 11).

2. THE NOTION OF MULTI-LEVEL GOVERNANCE

This specific issue of a new public management is an integral part of MLG model and it is becoming one of the most important tools of administration management. It has its beginnings in the community policy of the EU that involves a decentralization of power. It functions in not only the hierarchical structures of power but also in a vertically-oriented network of various public entities that have a significant impact on making administrative decisions and governance at various levels.

Multi-level Government is a different term to describe this type of operation of administration. In Multi-level Government, management at various levels functions according to different rules and with the participation of different actors (entities), both public and private. This model refers to supranational, national, and local authorities (Szczerbski, 2005: 10-11). The complexity of the organization (EU), the pace and depth of its transformations and the pervasiveness of the crisis, which has become a commonplace instead of an incidental phenomenon, make the network structures play a greater role than the hierarchical structures and their functioning principles are increasingly based on a multi-valued logic. In these conditions operations of authorities and social entities are subject to a permanent process of metaregulation, self-regulation and reflection (Staniszkis, 2009: 32-33).

Tensions arising in this way, conflicts and even crises - including the identity crisis - make the management of these structures require new methods that significantly differ from the classical, Webber principles of bureaucracy operation. The fluency and openness of the processes taking place in present EU create not only risks but also, above all, opportunities to develop new methods of management in the public sphere, based on the analysis of a substance of social and institutional changes, including the ontological aspect rather than ideology. Although the concept of MLG was mainly used for the analysis of governance at the macro-institutional level (EU and the management of state) and, so far, it has been less related to the regional and local government sphere, it seems, that the unprecedented sequence of institutional complexity caused by European integration makes them particularly suitable to describe and explain the actions of social, political and administrative entities in this particular area (Szczerbski, 2005 9).

The term of multilevel governance refers to the complex system of activities that are taken both within individual countries and internationally, that can be referred to as a policy
management (governance). Policy management is the central matter (essence) for the EU’s functioning, which on one hand truly differentiates this political system from nation-state systems (where the internal balance attainment by the state through the establishment of a political order and social peace are based on a well-defined catalogue of common social values and on redistribution mechanisms), and on the other hand, allows for a definition of the community system as a governance system governed by supranational regulations and institutionalised interest bargaining” (Szczerski, 2005: 74).

Therefore the main problem of policy management in the EU is a combination of internal regulations of each member state with union mechanisms that have transnational dimension. In this context, the meaning of the term ‘politics’ changes from its traditional aspect, where it is primarily understood as an organized set of actions taken for the common good and based on a system of values regulating the achievement of complex objectives (as in the national policy) towards a system which regulates itself, to maintain an external political structure in a relative equilibrium to member states. A key objective in this context is to develop a decision-making model, which takes into account fundamental interests of individual states on one hand, and on the other hand, allows the system integration of the EU as a political community.

The term ‘multilevel governance’ in this paper will refer to the role of local authorities (government) in decision-making process at the EU level and to internal management models within the same government, because the rules of governance at the macro level must be relevant to the micro level. One can already point out many forms of convergence in a local government practice of multilevel governance, as indicated by the increasing role of public consultations and NGOs in the policy of Polish local public management. In conclusion, Kojół, Leszno and Lipski (2009: 7) state that multilevel governance system can be incorporated into the great innovations of European governance, i.e. in European cohesion policy, which allows to reconcile the agreed priorities of high-level European governance with local, specific circumstances.”

3. THEORIES OF MULTI-LEVEL GOVERNANCE

The starting point for the analysis of MLG is the concept of „governance”, which in its essence has much more to do with management than with the „regulation” that is characteristic for traditional administration. It can be defined as a self-organizing network, functioning at the intergovernmental level - in the sense of national and local governments. Andy Smith (2007: 337) describes this network with the following words:

1. Interdependence between organizations. Governance is broader than government, covering non-state actors, changing the boundaries of the state [means] the boundaries between public, private and voluntary sectors become shifting and opaque.
2. Continuing interaction between network members, caused by the need to exchange resources and negotiate shared purposes.
3. Game-like interactions, rooted in trust and regulated by roles of the game negotiated and agreed by network participants.
4. A significant degree of autonomy from state. Networks are not accountable to the state; they are self-organizing. Although the state does not occupy a privilege, sovereign position, it can indirectly and imperfectly steer networks.

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2 The term „multilevel governance” in this article will refer to the activities of the European Union. This type of governance is also used in other regions of the world, i.e. in the U.S. (Mitchell-Weaver, Miller and Deal Jr, 2000: 851–876) and in Canada (Benz, 2010). The MLG is also presented in global terms (de Prado, 2007).
A key issue in the meaning of the term „governance” is the network, a set of various entities connected by common goals and exchanging key resources - especially knowledge (Słocińska, 2010) - according to the negotiated rules. One can claim that the EU is a system of continuous negotiation between governments at different levels - supranational, national, regional and local levels (Hassel, 2010: 160). Trust is the key issue in addition to permanent negotiations. Without trust, the exchange between entities in the network may be unequal, which in turn, can lead to disturbances in proper functioning.

It should be emphasized that such an exchange does not occur without conflicts, and negotiating the terms of the exchange in the network plays a key role in maintaining a balance. Mediations between social actors perform a similar function (Smith, 2007: 384). The mediating role may be held by governing institutions at different levels, i.e. local governments. Management of common relations between various entities becomes a key process in this situation: government, NGOs and private entities. Developing goals and means to implement plans that lead to their achievement become the main challenge to local governments in the current phase of development of representative democracy, both at national and European level (Niktiewicz, 2005). Preventing, resolving and managing the conflicts arising in this area are one of the major functions of a local government. The complexity of conflicts in the MLG model requires the use of advanced methods of conflict managing and solving (Mayer, 2010).

4. LOCAL GOVERNMENT IN A MULTI-LEVEL GOVERNANCE MODEL

Reflections on the role of local government in the MLG model should start from the statement by Hooghe and Marks: „Multi-level governance is both an international and a domestic phenomenon”. (2001: 78) The task of local government in the control and coordination of actions in a complex system of structural, institutional and economic relationships in the EU at the current state of the network society is invaluable. The local government has, in fact, adequate means and resources to initiate the formation of such networks, as well as to support the exchange of knowledge between them. What is particularly important, the local government has the ability to act on such policy both at the national and international level. Support of already operating networks in contact with similar networks functioning within the EU can bring measurable results for regional development (Bauer and Borzel, 2010; Fekete Farkas, Tompe, Villanyi and Thoht Naar, 2011). These multileveled actions may support local initiatives by providing adequate infrastructure and using relevant government agencies for this purpose. Local authorities’ communication with these agencies is less difficult to accomplish than within any newly formed associations or foundations. Such actions may be taken at the local, national and international levels. „Within this multilevel system, the objective is to let the regional government undertake a coordination role among the EU, national government and local bodies in a participatory governance process.” (Gherardi and Facc, 2007: 102) The role of local government should be particularly emphasized in initiating and coordinating the cooperation between different social actors at the international level, what is important in shaping the cohesion policy (Olbrycht, 2007: 81 – 92).

The new management model, where governance is gaining advantage over the government and the traditional division of the internal and external state functions is blurred, as exemplified by the growing role of NGOs in international relations. The local government has to find its place in this new institutional order. The state becomes the subject of operations

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4 Initiatives of local authorities like creating clusters of knowledge and innovation or technology parks are typical examples of this such activity (Czarnacka, Słocińska and Wrona, 2011).
according to the principle of ‘primus inter pares’ in the complex network of interactions most of which have the negotiating aspect. This diffusion of authority makes it difficult for the state authorities to control all interactions between social actors (including interactions in a European dimension). They can only monitor them. A good example of this situation can be the fact that in Brussels there are 150 independent agencies of subnational governments and transnational networks created by these governments, i.e. Assembly of European Regions, the Council of European Municipalities and Regions, the Associations of European Frontier Regions, etc. (Hooghe and Marks, 2001: 86 - 88)

Multilevel governance is particularly important for the cohesion policy. European integration is based on this process, which cannot exist only at the national governments’ level. It will be difficult to realize this is one of the most important principles guiding the EU policy without the active participation of various actors at the local levels. „Thus, the national parliaments through the Lisbon Treaty have gained the right to review initiatives undertaken by the European Commission, they are also required to consult on this issue with the government at regional and local level.” (Hubner: 27).

In the field of international relations, powers of local authorities grew through the structural funds, which fuelled EU regional policy in a significant way. It aims to support regional identity, which in turns is intended to foster European integration.

5. CONCLUSIONS

Understanding of a Multi-level Governance adopted in this argumentation (Bache, 2012: 628 - 641) means complex interactions between political authorities at different territorial levels and between different actors: public, private and NGOs, where a complex decision-making mechanism within the framework of current policies emerges as the result. The essence of MGL is a synchronized operation of many authority centres with complementary and overlapping competencies and operating at various territorial levels (local authorities - regions - countries - the EU). Thus, the role of local government under this concept immensely increases. It should be emphasized that it does not have to interfere with the powers of the nation state and its sovereignty and the auction of interest between various levels of power does not have to be a zero-sum game (Szczerski, 2003: 14 – 15).

Local governments are more autonomous in this context, and the need to plan, coordinate, control, and above all, making decisions in a diverse network of relationships and interactions within the EU Community policy, require them to adopt a new, more flexible management model.

In this regard, strategy for local government should be based on several principles 5:

1. The ability to formulate objectives
2. The ability to realize objectives
3. Securing the policy

The ability of the formulating the objectives, in other words, formulating the local government policy consists of knowledge acquisition and analysis of the situation. In order to do that, so called „think-tanks” are needed. „Multilevel governance of knowledge and information” based on good communication between local government institutions, the central government and EU institutions are also necessary. It is extremely important to know

5 Szczerski applies these rules primarily to the state, however they can be adopted by local government as well. (Szczerski, 2011).
one’s own human and infrastructure resources. The realization of objectives is about the rate of pulse production and its transformation into action of various structures” which is inter alia a function of the efficiency of administration. A skilful leveraging of the European institutions and the people working in EU Parliament (such as the deputies) is important to implement the policy. Protection of policy is based on the early detection of various threats to its implementation.

Functions of local government in a MGL grow enormously in relation to the so-called „state centric” model that assumes strict separation of state power bodies from the structures of local government and civic institutions such as NGOs. In current situation such model is untenable. This does not mean that (as the supporters of the EU as a superstate) the role of the nation state is past, it just changes functions that treat about the equality of state structures and other structures of public life.

REFERENCES


