

# Reforming Regional Governance in East Central Europe: Europeanization or Domestic Politics as Usual?

Conor O'Dwyer\*

In recent years, a number of East Central European (ECE) governments have undertaken to radically alter the territorial structures of their public administration. Some have suggested that this development represents the growing Europeanization of ECE politics, in particular the role of the European Union. This article questions that view by examining the crucial role of domestic party politics in the enactment and implementation of regional governance reform. It does so through a close comparison of Poland, the Czech Republic, and Slovakia.

*Keywords:* Europeanization; EU enlargement; decentralization; political parties; post-Communism

## 1. Introduction

Across East Central Europe (ECE), one of the first acts of democratically elected governments after the 1989 revolution was to abolish institutions of regional government, which were seen as tools of Communist Party influence. By the mid-1990s, however, there was a growing perception that the elimination of regional institutions had been ill conceived and that some intermediate level of governance between the central and local levels was necessary.<sup>1</sup> At the same time that the question of regional governance

1. See Zyta Gilowska, "Reforma samarządowa a reforma finansów publicznych" [The Reform of Self-Governments and Public Finances], in Lena Kolarska-Bobińska, ed., *Cztery reformy: od koncepcji do realizacji* [The Four Reforms: From Conception to Realization] (Warsaw, Poland: Instytut Spraw Publicznych, 2000); Jolanta Koral, "Sukcesy i porażki wdrażanej reformy" [Successes and Failures of an Imposed Reform], in Kolarska-Bobińska, *Cztery reformy*; Grzegorz Gorzelak and Bogdan Jałowiecki, "Reforma terytorialnej organizacji kraju" [The Reform of the Territorial Organization of the Country], in Lena Kolarska-Bobińska, ed.,

\* I would like to thank Chris Ansell, John Connelly, M. Steven Fish, Ken Jowitt, and Jonah Levy. I am also grateful for the excellent suggestions made during the review process.

was being reopened, a set of international influences favoring regional self-government and subsidiarity was coming to bear on ECE governments through the European Union (EU). Given its timing and context, regional governance reform<sup>2</sup> in ECE would seem to fit within a larger process of Europeanization that a number of scholars have argued is increasingly shaping this region's politics.<sup>3</sup>

Noting the unprecedented power asymmetries between the EU and ECE states, this Europeanization thesis predicts institutional convergence in ECE.<sup>4</sup> The EU exercises the powerful instrument of conditionality through the requirement that the candidate countries implement the *acquis communautaire* prior to accession. Through such policies as administrative twinning—that is, partnering ECE officials with counterparts in Western Europe—the EU, it can be argued, socializes East European political elites to embrace European policy norms.<sup>5</sup> This process of cognitive-sociological convergence has been vividly if ruefully described by a Czech politician who complained of “the political, intellectual and economic elite who are Euro-corrupted, funded by Euro-grants,

---

*Druga fala polskich reform* [Second Wave of the Polish Reforms] (Warsaw, Poland: Instytut Spraw Publicznych, 1999); Chancellery of the Prime Minister of the Republic of Poland, Government Plenipotentiary for the Systemic Reform of the State, *Effectiveness, Openness, Subsidiarity: A New Poland for New Challenges*, 3rd ed. (Warsaw, Poland, December 1998); Plenipotentiary for the Reform of the Public Administration, *Strategy of Public Administration Reform in the Slovak Republic*, <http://www.mesa10.sk/vs/> (accessed 19 June 2001); and Michal Illner, “Territorial Government in the Czech Republic,” in Emil Kirchner, ed., *Decentralization and Transition in the Visegrad: Poland, Hungary, the Czech Republic and Slovakia* (New York: St. Martin's, 1999).

2. By “regional governance reform,” I am referring to the restructuring of the division of powers and tasks between subnational elected governments (at the local, regional, and district levels) and the branch offices of the central state administration (at the local, regional, and district levels). Of course, genuine reform is in the eye of the beholder: some of the “reforms” that I will be describing fully deserve their quotation marks.
3. Heather Grabbe, “Europeanisation Goes East: Power and Uncertainty in the EU Accession Process,” in K. Featherstone and C. Radaelli, eds., *The Politics of Europeanisation* (Oxford: Oxford University Press, 2003); and Wade Jacoby, “Priest and Penitent: The European Union as a Force in the Domestic Politics of Eastern Europe,” *East European Constitutional Review* 8 (Winter/Spring 1999): 62-67. For a broader view of EU influence in East Central Europe (ECE), see also Andrew Janos, “From Eastern Empire to Western Hegemony: East Central Europe Under Two International Regimes,” *East European Politics and Societies* 15:2(2001): 221-49.
4. Grabbe, “Europeanisation Goes East.”
5. For a description of the cognitive-socializing element of EU integration, see Brigid Laffan, “The European Union Polity: A Union of Regulatory, Normative, and Cognitive Pillars,” *Journal of European Public Policy* 8 (October 2001): 709-27.

Euro-funds and Euro-programs.”<sup>6</sup> Indeed, given the power asymmetries of EU enlargement, Europeanizing pressures are, it is argued, stronger in ECE than in both the rest of the EU and in earlier rounds of expansion.<sup>7</sup>

While fully recognizing these power asymmetries, other scholars have begun to point out the limits of Europeanization in actual practice. A number of them have used regional governance reform as a policy case for testing the Europeanization thesis because the incentives for compliance are so great.<sup>8</sup> Since regional policy is one of the biggest avenues for development aid in the EU, the incentives to conform to EU policy templates in this area would seem particularly great. As these analyses have suggested, however, the practice of regional governance reform in ECE has proven much more elastic than the Europeanization hypothesis’s prediction of convergence would suggest. While persuasively showing the limits of conditionality over such reform, these skeptics of Europeanization have been less successful in advancing a parsimonious and generalizable explanation of what does drive the undeniable and far-reaching reforms that are currently reshaping ECE regional institutions.

This article puts forward a hypothesis to explain both the timing and varying content of regional governance reform in ECE in the 1990s. What both the proponents and the skeptics of the Europeanization thesis fail to recognize is that regional reform holds its own rewards from a purely domestic political point of view, that is, quite apart from the incentives and sanctions presented by the EU. These rewards account both for the enthusiasm with which certain ECE governments undertook regional governance reform and for the widely varying outcomes of these

6. Jan Zahradil, foreign affairs spokesman of the conservative Civic Democratic Party (ODS), quoted in Peter Green, “On Eve of Vote, Czechs Seem to Lean toward Joining Europe,” *New York Times*, 13 June 2003.

7. Grabbe, “Europeanisation Goes East,” 4-6.

8. James Hughes, Gwendolyn Sasse, and Claire Gordon, “EU Enlargement and Power Assymetries: Conditionality and the Commission’s Role in Regionalisation in Central and Eastern Europe,” in Economic and Social Research Council (ESRC), “One Europe or Several?” Programme Working Paper no. 49 (Brighton, UK: University of Sussex, 2003); Dan Marek and Michael Baun, “The EU as a Regional Actor: The Case of the Czech Republic,” *Journal of Common Market Studies* 40:5(2002): 895-919; and Jennifer Yoder, “Decentralisation and Regionalisation after Communism: Administrative and Territorial Reform in Poland and the Czech Republic,” *Europe-Asia Studies* 55:2(2003): 263-86.

reforms. As I will argue, the most important factor determining institutional outcomes is the coalitional politics of the government that enacts them. The Europeanization hypothesis is correct in maintaining that this is not a purely domestic political story, however. The EU is essential to the wave of institutional restructuring currently reshaping regional politics in ECE countries because, by advancing its own regional agenda, it opened up a critical juncture for reform. Although the variation in outcomes suggests its limited success in using conditionality to implement this agenda, the EU figured as a useful pretext for reforms that allowed domestic political forces, in particular governing party coalitions, to shape regional institutions in their own interests.

I will be focusing on three countries—Poland, the Czech Republic, and Slovakia—each chosen because it has undertaken to reform regional governance institutions and because its particular domestic political configuration led to a different variant of reform. The time frame of the comparison will be from the signing of the first European Agreements in 1991, which formalized the relationship between ECE states and the EU, until the legislation of basic regional governance reform, which took place at different times in different countries.

Boiled down to its most basic elements, the story of regional reform in these three countries is as follows. In Slovakia, regional reform occurred in two stages. In the first, under Vladimír Mečiar, a logic of dominant-party politics led to a policy of administrative deconcentration that actually centralized power in the hands of the government and the Mečiar-led party machine that dominated it.<sup>9</sup> A second, post-Mečiar reform foundered as a divided and unwieldy government found it could not push through a meaningful reform and maintain its fragile majority. In Poland, reform did bring regional devolution, but because the government was composed of a large and unruly coalition, coalitional politics led to a

9. I distinguish here between deconcentration, which “entails the transfer of limited responsibility to lower levels of administration,” and devolution, which “in contrast, is the transfer of authority to relatively autonomous bodies outside the direct control of central authorities”; see Yoder, “Decentralisation and Regionalisation,” 264. As Jonah Levy notes, deconcentration differs fundamentally from devolution in that it offers a singular advantage to the government, “the preservation of central state control”; see “Territorial Politics after Decentralization,” in Alain Guyomarch, Peter Hall, Jack Hayward, and Howard Machin, eds., *Developments in French Politics 2* (London: Macmillan, 2001), 106.

kind of runaway decentralization in which the government bought votes for its reform by inflating the number of subnational units. In the Czech Republic, the concern with economic costs of decentralization produced a reform that achieved regional devolution but that, unlike Poland's, was fundamentally a rationalization of the territorial apparatus of the state. Czech regional reform was framed as an economic question, as a choice between big versus small government, reflecting the country's essentially bipolar party competition of Social Democrats versus conservatives.

To preview the plan of this article, first I will present the benefits and drawbacks of the Europeanization argument for understanding the dynamics of regional reform in ECE. Next, I will specify and compare the differing coalitional logics in Poland, the Czech Republic, and Slovakia and then show how they shaped regional reform in each country.

## 2. Europeanization and its limits

The Europeanization view of ECE institutional development contends that the asymmetry of power between the EU and the ECE countries creates strong convergence toward EU policy models. Given the special circumstances of Eastern enlargement, it even predicts a greater degree of policy convergence in the ECE countries than has occurred within the countries of Western Europe.<sup>10</sup> At least three reasons are commonly cited.<sup>11</sup> First, there is the unprecedented speed of adjustment, with the ECE countries being required to adopt and implement EU policy frameworks *prior to accession*.<sup>12</sup> Second, as a result of the post-Communist transition, the ECE countries are more open to EU regulatory models: with fundamental structural changes already underway, it is argued, there is less "institutional resistance." Third, the EU's institutional agenda is broader, more ambitious, and hence more ambiguous in ECE than in previous enlargements; thus, it is harder to determine when accession criteria have been met, and this

10. Grabbe, "Europeanisation Goes East," 4. See also Huges, Sasse, and Gordon, "EU Enlargement," 11-15.

11. See Grabbe, "Europeanisation Goes East," 4-5.

12. Earlier enlargements had allowed new members to adjust policies after accession.

ambiguity gives “the EU a license to involve itself in domestic policy-making to a degree unprecedented in the current member-states.”<sup>13</sup>

Perhaps the strongest evidence for the Europeanization hypothesis is that of the timing of regional reform in ECE. Put simply, it was a no-starter until EU integration put it on the agenda.<sup>14</sup> From strikingly similar institutional starting points, Poland, the Czech Republic, and Slovakia undertook regional reform only after 1994, when the EU Commission took over the enlargement process, assuming responsibility for screening the ECE countries’ regulatory frameworks and negotiating with their governments. Thus, concrete action began only after a long period in the early 1990s that had generated much talk about regionalization but few concrete results. In fact, from the point of view of regionalization, the early 1990s were a setback. When the anti-Communist political coalitions captured power in 1989, they viewed the territorial administration as an instrument of Communist Party control, and one of their first acts was to abolish the regional self-governments outright.<sup>15</sup> In Poland, the regional level was centralized under the national government, district administration was eliminated, and elected institutions at both levels were eliminated. In Slovakia and the Czech Republic, the regional-level institutions were abolished, and the district-level was centralized under the national government: elected district councils were dissolved.

Although a number of political elites began to float proposals for restoring regional-level self-government as early as 1991, no such institutions were put into place.<sup>16</sup> The Czech Constitution even went so far as to mandate the creation of such regional gov-

13. Grabbe, “Europeanisation Goes East,” 5.

14. Yoder, “Decentralisation and Regionalisation,” 268; Hughes, Sasse, and Gordon, “EU Enlargement,” 26.

15. Before 1989, the Communist Party had colonized the whole of public authority, from the highest levels of state to the lowest organs of local administration. Formally speaking, decentralized regional structures existed, but what really mattered was the Communist Party, which was extremely centralized. The territorial administration of the state was essentially the same in Poland and the then Czechoslovakia. In both, the provincial state apparatus consisted of four levels (the government, the region, the district, and the municipality or commune), each of which was subordinated to the Communist Party. Elections to these subnational institutions amounted to a *pro forma* ratification of the candidates nominated by the appropriate party-level committee. Within this system, the role of subnational institutions was to implement directives from above.

ernments in 1993, but the government then ignored this provision for most of the 1990s. It was only with the acceleration of EU integration in the mid-1990s—and the Commission’s promotion of a European regional vision—that regional reform appeared on the Polish, Czech, and Slovak governments’ agenda. Thus, European integration was the critical juncture that made reform possible even if, as will be shown below, the EU Commission’s influence over the course of this reform proved to be quite limited.

The Europeanization thesis makes much of conditionality and the basic power asymmetry in the ECE governments’ relationship with the Commission during the accession process. Beyond the negative incentive that ignoring the *acquis*’s regional policy precepts would have precluded EU membership, the ECE governments had much to gain materially from adapting their subnational governance structures to EU norms. The financial incentives included preaccession regional assistance such as the PHARE-STRUDER program, which in 1993 made 80 million European Currency Units (ECU) available for a pilot project in regional policy in Poland. The Czech Republic has received about 40 billion Czech crowns in EU assistance since 1990.<sup>17</sup> More important, there is the incentive to gain access to the EU’s regional policy expenditures, which amount to as much as a third of the EU’s overall budget. More than 90 percent of this regional policy expenditure occurs through the Structural Funds, under whose economic criteria almost all of the ECE regions can expect, as EU members, to qualify for funding—provided, of course, that they meet the administrative criteria for implementation.<sup>18</sup> The EU’s Agenda

16. For a description of the initial, unsuccessful attempts to reform Poland’s regional level, see Gorzelak and Jałowicki, “Reforma terytorialnej.”

17. Katařina Šafařřková, “Co přinese sobota 14. řervna?” [What Will the 14th of June Bring?], *Respekt* 24:3(2003), <http://respekt.inway.cz/>.

18. The Structural Funds target Objective 1 regions whose per capita GDP is less than 75 percent of the EU average, Objective 2 regions facing economic restructuring, and Objective 3 regions to combat unemployment. See Jeremy Faro, “Europeanization as Regionalisation: Forecasting the Impact of EU Regional-Policy Export upon the Governance Structure of Slovenia” (Manuscript, Centre of International Studies, Cambridge University, September 2004), 2; Marek and Braun “EU as Regional Actor,” 897; and Hughes, Sasse, and Gordon, “Eastern Enlargement,” 4-5.

2000 foresaw 38 billion ECU in Structural Funds assistance to the applicant states between 2000 and 2006.<sup>19</sup>

Attaining the benefits described above depends on meeting a raft of formal criteria and informal, though hardly imagined, expectations on the side of the EU Commission. As the Association Agreements of 1991 and later Copenhagen Declaration made clear, joining the European club would entail the adoption of specific political and economic institutions, including the unprecedented requirement that the post-Communist applicants be capable of implementing its imposing body of regulation, the *acquis communautaire*, prior to accession. Chapter 21 of the *acquis* covers regional policy, setting out criteria for putting together, financing, and implementing regional development projects.<sup>20</sup> Thus, regional reform mattered first of all because, as a chapter in the *acquis*, the administration of regional policy had to be tackled in some form to join the EU. By requiring the adoption of particular regulations and then publicly monitoring their implementation, EU conditionality “led to a perception among key actors in the CEECs [Central and East European candidate countries] that the Commission was attempting to foist an EU ‘model’ of regionalisation on them.”<sup>21</sup> For example, the Commission’s 1997 opinion, which stated that “the Czech Republic lack[ed] an independent regional development policy” and noted the absence of elected institutions between the national and local levels, was a public rebuke that elicited consternation among the country’s political and media elites.<sup>22</sup> Demonstrating again its close monitoring of ECE reform, the Commission criticized the applicant countries in its Agenda 2000 as lacking “suitable infrastructures for regional policies, due to small or non-existent budgets, poorly developed instruments, skeletal administrations.”<sup>23</sup>

19. Emil Kirchner, “The Role of the EU in Local and Regional Government,” in E. Kirchner, ed., *Decentralization and Transition in the Visegrad: Poland, Hungary, the Czech Republic and Slovakia* (New York: St. Martin’s, 1999), 211-12.

20. *Ibid.*, 211.

21. Hughes, Sasse, and Gordon, “EU Enlargement,” 7.

22. Quoted in Marek and Braun, “EU as Regional Actor,” 899.

23. Quoted in Kirchner, “Role of the EU,” 212. The Commission’s progress reports are available at <http://europa.eu.int/comm/enlargement/docs/index.htm>.



Chapter 21 of the *acquis* requires a host of administrative and legal changes for implementing the EU's regional policy. These include mechanisms for interministerial communication; capacity for multiyear programming; capacity for monitoring and implementing policy; the adoption of a national development plan; and the adoption of the EU's NUTS<sup>24</sup> territorial units for statistical classification and Structural Funds implementation.<sup>25</sup> Beyond the technical niceties of the *acquis* stood a more consequential expectation, which in Marek and Braun's formulation, was a "regional policy not just *for* the regions, but *by* them as well."<sup>26</sup> The idea behind this "partnership principle" was participation by regional-level actors in making regional policy. Thus, the Commission strongly urged the ECE governments to create elected regional institutions with financial and legal autonomy.<sup>27</sup>

As noted earlier, the Europeanization thesis has come under considerable criticism by scholars looking at the course of institutional and policy development on the ground. First, as detailed and challenging as the above requirements appear, a number of scholars have pointed out that in practice, they allowed considerable leeway for institutional variation. Hughes, Sasse, and Gordon write that regional policy is a "thin area of the *acquis* with sparse and ambiguous regulations [and national governments have a] great deal of power to decide the institutional framework and means of implementation."<sup>28</sup> To avoid the appearance of interference, the Commission publicly maintained that it was for national governments to decide which institutional arrangements best

24. La Nomenclature des Unités Territoriales Statistiques (NUTS).

25. Marek and Braun, "EU as Regional Actor," 898. For a complete list of the regional policy requirements, see European Commission, *Enlargement of the European Union: Guide to the Negotiations Chapter by Chapter*, <http://www.europa.eu.int/comm/enlargement/negotiations/chapters/negotiationsguide.pdf> (accessed 18 September 2004).

26. Marek and Braun, "EU as Regional Actor," 898.

27. Martin Brusis, "Re-Creating the Regional Level in Central and Eastern Europe: An Analysis of Administrative Reforms in Six Countries," in Eric von Breska and Martin Brusis, eds., *Central and Eastern Europe on the Way into the European Union* (Munich, Germany: Center for Applied Research, May 1999), 1-2; Yoder, "Decentralisation and Regionalisation," 268; Hughes, Sasse, and Gordon, "EU Enlargement"; Marek and Braun, "EU as Regional Actor," 898.

28. Hughes, Sasse, and Gordon, "EU Enlargement," 28.

suited them.<sup>29</sup> Indeed, as a look at the EU countries themselves makes clear, there are any number of models of subnational government—from thoroughly decentralized to unitary—that are compatible with the *acquis*.<sup>30</sup> A second set of criticisms challenge the assumption that the EU is a unitary actor with fixed goals toward which the instrument conditionality is exercised. Internal divisions and inconsistencies within the institutions of the EU itself have often diluted the leverage of conditionality.<sup>31</sup> Yet a third set of criticisms of the Europeanization thesis emphasize the role of historical legacies and regionalist traditions in society.<sup>32</sup>

A final set of criticisms emphasizes domestic politics. As Hughes, Sasse, and Gordon write of regional reform in ECE, “On balance, it seems that domestic political considerations, informed by historical experiences and legacies, seem to have played a more important role than the influence of EU conditionality.”<sup>33</sup> As penetrating as their analysis of the limitations of EU conditionality is, however, the skeptics of convergence do not provide a framework that can explain when and how domestic political considerations are important.<sup>34</sup> The absence of such an explanation is all the more conspicuous given that major institutional changes are occurring

29. Marek and Braun, “EU as Regional Actor,” 898; Hughes, Sasse, and Gordon, “EU Enlargement,” 9-10. As one example of such variation, in its version of regional reform, the Czech Republic chose to create elected regional governments whose boundaries did not qualify as NUTS 2 regions; instead, it created NUTS 2 regions as separate, purely statistical entities for the purposes of implementing structural funds projects. In Poland’s regional reform, on the other hand, the boundaries of regional self-governments and NUTS 2 regions were coterminous.

30. Hughes, Sasse, and Gordon, “EU Enlargement,” 10.

31. *Ibid.*

32. Yoder, “Decentralisation and Regionalisation.” As Yoder admits, however, the effect of these two influences may not be decisive. Regarding the institutional legacies of regional institutions, there are at least two at play in ECE, the pre-Communist and the Communist. Second, regional sentiments do not appear to be highly developed in ECE countries. On the second point, see also Bogdan Jałowiecki, “Ruchy regionalne czy bunt elit? Obserwacja protestów społecznych” [Regional Movements or Elite Revolts? An Observation on the Social Protests], in Grzegorz Gorzelak, ed., *Decentralizacja terytorialnej organizacji kraju: założenia, przygotowanie, ustawodawstwo* [The Decentralization of the Territorial Organization of the Country: Basic Principles, Planning, Legislation], Center for Social and Economic Research (CASE) Reports no. 21 (Warsaw, Poland: CASE, 1999).

33. Hughes, Sasse, and Gordon, “EU Enlargement,” 27.

34. Among extant analyses of ECE regional reform, Yoder pursues domestic politics the furthest, arguing that, where the transition from Communism was negotiated (as in Poland), post-Communists were better able to constrain reforms; see “Decentralisation and Regionalisation,” 267. She also notes, however, that the beliefs of non-Communist parties did not neatly

at the regional level, even if they do not accord with the convergence predicted by the Europeanization hypothesis. The next section offers a hypothesis linking the European and domestic political dimensions of ECE regional reform. As I will argue, European integration provided domestic governing coalitions a useful justification for restructuring regional-level institutions, but the flexibility of the EU's concept of regionalization allowed for wide-ranging interpretations of this project. In each country, the interpretation of regionalization was carefully adapted to the political needs of the governing coalition. In Slovakia under Mečiar, it meant a centralizing deconcentration of power. Later, under the Party of the Democratic Coalition (SDK) government, it meant cosmetic decentralization. In Poland under a fragmented post-Solidarity coalition, it meant inflationary devolution. In the Czech Republic under what was essentially bipolar competition, it meant devolution coupled with rationalization of existing structures.

### 3. The logic of coalitional politics

The differing outcomes of regional reform in Poland, Slovakia, and the Czech Republic reflected the different coalitional logic of the government that enacted the reform in each. The parameters of coalitional politics were set by differing patterns of party system development in each country, from the first elections to the moment of enacting regional reform.<sup>35</sup> This section will compare both the general trajectories of party system development and the particular coalitional logic of each government at the time of reform.

In all three countries, the political class have always been much more interested in regional reform than the general public, who

---

align in favor of regional devolution. While sympathetic to these points, my argument will take a different tack, focusing on regional reform as a political tool by which governing coalitions seek to secure institutional advantages in the process of party building. In this conception, the relative balance between the government and opposition becomes the crucial factor.

35. These differing coalitional logics expressed deeper differences in party system formation, which are beyond the scope of this article to account for. Based on Kitschelt et al.'s analysis, it is the author's view that the emergence of bipolar competition in the Czech Republic, but not in Poland or Slovakia, is the result of the greater resonance of nationalist and religious social cleavages in the latter two countries. These cleavages intersected with socioeconomic ones

were concerned with (to them) more relevant issues like health care.<sup>36</sup> Re-creating and restructuring regional institutions offers political parties both a convenient rationale and a potent tool for tailoring state institutions to their advantage. The governing coalitions that legislate these reforms are in a position to determine the boundaries of regions (and tailor them to the geography of their own electoral support), to determine the staffing of new regional administration (and use them as patronage), and to gain access to the resources at these new institutions' disposal (resources that would become considerable with the advent of EU Structural Funds).<sup>37</sup> In short, regional reform matters to politicians because it offers opportunities to facilitate party building in a post-Communist political environment that, so far, has proven less than fertile ground for building stable party organizations. Regional reforms were very often worded in such expansive terms as "remaking the state."<sup>38</sup> The more radical the remaking of the state, the more room for tailoring outcomes to the government parties' advantage.

Table 1 uses a few simple measures to encapsulate the differences in the domestic political conditions for reform in each country. First, electoral volatility is a good measure of the general parameters in which coalitional politics takes place: it is an easily

---

so that, for example, the Polish right wing contained nationalist parties of both neoclassical and left-of-center economic orientations. In the Czech case, right and left were defined primarily in socioeconomic terms. See Herbert Kitschelt, Zdenka Mansfeldova, Radoslaw Markowski, and Gábor Tóka, *Post-Communist Party Systems: Competition, Representation, and Inter-Party Cooperation* (Cambridge: Cambridge University Press, 1999).

36. According to opinion polls conducted in Poland from 1990 to 1998, the percentage of the public who considered decentralizing the public administration an urgent priority never exceeded 9 percent. Moreover, the same polls showed that was never a time when a majority of respondents did not consider such reform something that should be postponed for later or that was unnecessary altogether; see Macieja Falkowska, "Społeczeństwo wobec reform" [Society's View of the Reforms], in Kolarska-Bobińska, *Druga fala*, 282. Though not as extensive, public opinion research on regional decentralization in the Czech Republic indicates a similar lack of public interest. A survey conducted in June 2000 found that only 37 percent of the public claimed to have a clear idea of what the reform meant, and only 45 percent considered regional decentralization a step in the right direction; see "Většina lidí zatím ne ví, co jim přinese vznik nového kraje" [Most People Still Do Not Know What the Creation of the New Region Will Bring Them], *Právo*, 30 June 2000.

37. Hughes, Sasse, and Gordon also note the close connection between regional reform and political advantage, finding, for example, that interview respondents felt that "regionalization in Hungary was corruptly manipulated by the Fidesz government of prime minister Orbán to secure its patrimony and political position"; see "EU Enlargement," 23.

38. Chancellery, *Openness, Effectiveness, Subsidiarity*, 5-11.

**Table 1.** *Coalitional Logic of the Government Undertaking Reform*

Reform Attempt	Trend of Party System Development	Electoral Volatility (1990-2000)	Vote Differential between Biggest Government Party and Biggest Opposition Party at the Time of Reform Enactment	Government Concentration at the Time of Reform Enactment
Slovakia's first reform (1996)	Political machine vs. fragmented opposition (1992-98)	46.2%, high	24.6%, high	Highly concentrated: Three-party coalition, dominated by the Movement for a Democratic Slovakia (HZDS) with two nationalist junior partners
Slovakia's second reform (2001)	Fragmented government versus entrenched opposition (after 1998)		-0.7%, low	Highly diffuse: Eight-party coalition of programmatically heterogeneous parties
Poland (1998)	Parties are many, small, short lived. Governments are heterogeneous and unstable	44.3%, high	6.7%, low	Highly diffuse: Umbrella coalition "Electoral Action Solidarity" (comprising 30+ political groups) in coalition with Freedom Union
Czech Republic (1997-98)	Bipolar competition, programmatic parties. Coherent, stable government with orderly alternation	23.1%, low	4.6%, low	Highly concentrated: Single-party minority government under the Social Democratic Party (ČSSD)

Source: Author's calculations of electoral volatility and vote differential using election results published by the University of Essex, *Projection Political Transformation and the Electoral Process in Post-Communist Europe*, <http://www.essex.ac.uk/elections> (accessed 18 September 2004).

comparable measure of the degree of party system stability over the course of the 1990s.<sup>39</sup> In volatile systems, parties lack stable support bases, and their vote shares fluctuate sharply from one election to the next.<sup>40</sup> This can happen both through the disappearance or marginalization of unsuccessful parties and the appearance of new, initially popular parties. Volatility is important because it shapes the time horizons of government coalition members. In highly volatile systems, coalition members are more likely to try to capture organizational advantages from institutional reforms like regional decentralization than in systems where, due to having more stable vote shares, parties feel less need to create party-building advantages through state reforms.

Capturing the coalitional logic at the moment of reform enactment, Table 1 contains two additional indicators: vote differential and government concentration. I define vote differential as the difference in vote share between the largest government party and the largest opposition party in the last election before reform enactment. This indicator provides a good measure of the threat of alternation posed to the government by the opposition: the higher the vote differential, the more commanding the advantage of the government and the more easily it can shape regional reform to its own advantage. The next indicator, which I term the “concentration” of government, refers to how many actors—parties and other political groupings<sup>41</sup>—are contained within the government coalition and how diverse they are programmatically. The less concentrated the government coalition, the more fragile its majority and the greater the pressure to keep its various elements together using patronage. Diffuse governments also have a greater number of members among whom patronage needs to be shared out.

39. James Toole, “Government Formation and Party System Stabilization in East Central Europe,” *Party Politics* 6:4(2000): 441.

40. Volatility measures the net change in the vote shares of all parties from one election to the next. More particularly, “The [volatility] index is derived by adding the net change in percentage of seats (or votes) gained or lost by each party from one election to the next, then dividing by two”; see Scott Mainwaring and Timothy Sculley, “Introduction,” in Scott Mainwaring and Timothy Sculley, eds., *Building Democratic Institutions: Party Systems in Latin America* (Stanford, CA: Stanford University Press, 1995), 6. In calculating volatility, I count party splits and mergers as fully new parties, which maximizes volatility but is consistent and avoids difficult judgment calls about party continuity.

41. It is not uncommon for government coalitions in ECE to include nonparty groups such as trade unions, social movements, and interest-based groups.

At the time of reform enactment, it is crucial how vote differential and government concentration interact with each other. As illustrated by the case of Slovakia under Mečiar, a large vote differential combined with highly concentrated government is a recipe for regional reform that maximizes political benefits for one dominant political actor. Mečiar's "reform" was, in essence, a policy of deconcentration that centralized power at the same time that it created patronage by expanding institutional structures. Poland, on the other hand, combined a small vote differential with highly diffuse government, which resulted in a version of regional reform that also maximized political benefits but shared them out among a wide range of political actors. Unlike Slovakia, Poland's reform did devolve power from the central government, but it unnecessarily expanded the units of subnational governance to buy support from a wide coalition of political interests. In the end, no party increased its advantages over the others, but the original technocratic and efficiency goals of decentralization were sharply diluted. The backdrop in both countries was one of chronic electoral volatility, which shortened governing parties' time horizons and increased the allure of regional reform that furthered party-building goals. In the Czech Republic, where reform was undertaken against a background of much lower electoral volatility, the coalitional politics at the time of reform combined concentrated government with low vote differential—a much more favorable constellation of factors. This constellation meant (1) longer-term horizons among the parties, (2) a more competitive party system and more accountable government, and (3) less need to dilute the programmatic intentions of the government to win acceptance from a wide coalition of interests.

Before comparing the course of regional reform in each country, I will briefly sketch the contours of their coalitional politics at the time of reform. Poland's party system at the time of its reform in 1997 reflected the logic, long-established in Polish politics, of electoral volatility, party fragmentation, and unpredictable coalition formation.<sup>42</sup> The Solidarity movement that toppled Commu-

42. See Frances Millard, *Polish Politics and Society* (London: Routledge 1999), 441-61; Toole, "Government Formation"; and Włodzimierz Wesołowski, *Partie: Nieustanne Kłopoty* [Parties: Ceaseless Troubles] (Warsaw, Poland: IFiS PAN, 2000).

nism in 1989 had disintegrated by 1991, and the elections of that year returned twenty-nine parties to Parliament. In the following 1993 elections, almost all of these parties failed to pass the minimum threshold for representation. These elections also introduced an important innovation in Polish politics, the electoral confederation, which allowed its fractious political groupings to beat minimum threshold requirements by combining into loose, programmatically heterogeneous electoral alliances before elections. The post-Communist Social Democratic party (SdRP) gathered together the first such alliance, the Democratic Left Alliance (SLD), which contained more than thirty political groupings.<sup>43</sup> By the time of the next elections in 1997, the post-Solidarity parties had adopted the same tactic, forming the large and heterogeneous Electoral Action “Solidarity” (AWS), which contained thirty-seven parties and other political groupings.<sup>44</sup> Given these conditions, government coalitions were broad and fragile, and there were eight governments between 1990 and 1997. The AWS-led government that initiated the reform of Poland’s regional administration in 1997 was a coalition with a slim majority that contained myriad, often opposing programs. The weakness of the Polish government meant that all parties were able to extract political benefits from reform, and the result was a greatly expanded subnational administration.

The development of the Slovak party system in the 1990s was sharply periodized, and because the country tackled regional reform in both periods, comparing them throws the impact of coalitional politics on regional reform into sharp relief.<sup>45</sup> In the first period, from 1992 to 1998, it was a dominant-party system; one party, Mečiar’s Movement for a Democratic Slovakia (HZDS), enjoyed overwhelming organizational and institutional advan-

43. Aleks Szczerbiak, “Interests and Values: Polish Parties and Their Electorates,” *Europe-Asia Studies* 58 (1999): 1432.

44. *Ibid.*, 1431.

45. See Kevin Deegan Krause, “Slovakia’s Second Transition,” *Journal of Democracy* 14 (2003): 65-79; and Martin Bútorá, Grigorij, Mesežnikov, Zora Bútorová, and Sharon Fisher, *The 1998 Parliamentary Elections and Democratic Rebirth in Slovakia* (Bratislava, Slovakia: Institute for Public Affairs, 1999).



tages over a fragmented and wavering opposition.<sup>46</sup> In the second period, from 1998 on, Mečiar's machine was overthrown, and the fragmented former opposition parties formed a shaky governing coalition. In this period, Slovakia's coalitional politics more closely resembled those in Poland: the post-Mečiar government was composed of eight parties, which shared little in common programmatically other than their opposition to Mečiar.<sup>47</sup>

Throughout the 1990s, the one constant in Slovak party politics was high volatility, as shown in Table 1. This meant that in both periods, parties had short time horizons and were tempted to use state administrative reforms to create party-building advantages. In the first, high vote differential and concentrated government led to a "reform" that was a thinly disguised means of aggrandizing Mečiar's HZDS party while weakening the opposition. Power was, in fact, centralized, and new subnational units became a source of patronage for HZDS supporters. In the second reform juncture, there was a very low vote differential and low government concentration, similar to the situation in Poland. Also as in Poland, the government found it necessary to try to bridge many diverse interests to pass any reform and did so through diluting the reform's original technocratic intentions. The divided Slovak coalition tried unsuccessfully to replace Mečiar's regional structures with a more democratic and rational system of regional self-government.<sup>48</sup>

As the indicators in Table 1 suggest, the political background and the coalitional politics at the time of reform in the Czech Republic differed considerably from those in Slovakia and Poland. Facing lower electoral volatility, Czech parties had longer time horizons than Slovak or Polish ones. With a more stable support base, they were less tempted to enact self-serving institutional reforms in the attempt to further party building. From the early

46. Tim Haughton, "HZDS: The Ideology, Organisation and Support Base of Slovakia's Most Successful Party," *Europe-Asia Studies* 53 (2001): 745-69; and M. Steven Fish, "The End of Mečiarism," *East European Constitutional Review* 8 (Winter/Spring 1999): 47-55.

47. The new government was composed of the Party of the Democratic Left (SDL); the Party of Civic Understanding (SOP); the Hungarian party (SMK); and the Party of the Democratic Coalition (SDK), which was itself a hastily put together amalgam of the Christian Democrats (KDH), the Democratic Party (DS), the Democratic Union (DU), the Social Democratic Party (SDSS), and the Greens (ZS).

48. See Plenipotentiary, *Strategy*.

1990s until the enactment of reform in 1997 to 1998, Czech party competition was anchored by the conservative Civic Democratic (ODS) and left-of-center Social Democratic (ČSSD) parties.<sup>49</sup> The ODS led two coalition governments from 1992 until 1998.<sup>50</sup> In 1998, the Social Democrats unseated the ODS to form a minority government.<sup>51</sup> Unlike Slovakia under Mečiar, the vote differential was low at the time of reform: the Social Democrats in 1998 were not a dominant machine lording over a weak opposition. Unlike Poland, it was not an unwieldy coalition of many disparate interests that government reformers needed to buy off. Instead, the Czech government consisted of a single party that was closely checked by a well-organized opposition party that was sufficiently organized to prevent the government party from capturing reform for its own ends.

#### **4. Party politics plays out: Different versions of regional reform**

Now with the domestic political conditions in place, this section turns to a comparison of the genesis, implementation, and institutional consequences of regional reform in Poland, the Czech Republic, and Slovakia.

Slovak “reform:” Regions strengthen the party machine

The first round of Slovak regional reform took place in 1996 and was the culmination of HZDS’s political revenge on the opposition parties after their short-lived victory in toppling the first HZDS government.<sup>52</sup> A small group of reformers loosely affiliated with

49. Lubomír Brokl and Zdenka Mansfeldová, “How the Voters Respond in the Czech Republic,” in Kay Lawson, Andrea Römmele, and Georgi Karasimeonov, eds., *Cleavages, Parties, and Voters: Studies from Bulgaria, the Czech Republic, Hungary, Poland, and Romania* (Westport, CT: Praeger, 1999); Kitschelt et al., *Post-Communist Party Systems*; and Toole, “Government Formation.”

50. The ODS’s junior coalition partners in these governments consisted of two right-of-center parties, the Civic Democratic Alliance (ODA) and the Christian Democrats (KDU-ČSL).

51. Some Czech political commentators have argued that the ČSSD minority government was actually a kind of grand coalition since it was formed with the support of the ODS. As Andrew Roberts has convincingly demonstrated, however, it was a typical minority government such as is commonly found in European parliamentary systems; see “Demythologising the Czech Opposition Agreement,” *Europe-Asia Studies* 55 (2003): 1273-1303.

the political opposition had been advocating regional decentralization since the early 1990s. To the initial surprise of this group, the HZDS-led government announced its intention to take up the issue of regional reform. However, rather than understanding this program in terms of devolving power to elected regional parliaments, as the opposition had, the Mečiar government decided to create regional prefectures, which it would appoint directly. It also expanded the number of districts (*okresy*) in the country, which would function as administrative units below the regional level. Though strongly resisted by the opposition parties, Mečiar's government had a parliamentary majority and refused to make concessions.

Political-electoral considerations of HZDS and its coalition partners dictated the shape of Slovakia's version of regional reform. First, the government parties needlessly expanded the territorial administration to reward their supporters with appointments. This expansion is depicted in Figure 1, which maps the boundaries of Slovakia's public administration before and after 1996. (Note that in Figures 1, 2, and 3, the darker boundary lines enclose regions and the lighter ones districts.) The reform created eight regional-level offices appointed by the government and expanded the number of district offices, also appointed by the government, from thirty-eight to seventy-nine.<sup>53</sup> Thus, the policy added one new layer of state bureaucracy and doubled the extant bureaucracy at the district level.<sup>54</sup> Slovakia is a small country, and if the addition of eight regions was questionable, the addition of eight regions accompanied by a twofold expansion of its districts was excessive. Together these additional levels of administration expanded the territorial administration by roughly ten thousand

52. The first HZDS government (1992) lost a parliamentary vote of confidence in 1994. It won in the next elections, held a few months later. After these elections, HZDS governed with two junior coalition partners, the Slovak National Party (SNS) and the Slovak Workers' Party (ZRS). HZDS was the unquestioned leader of this coalition, though SNS and ZRS benefited considerably from patronage as a result of being in the government.

53. Lubomír Falt'an and Vladimír Krivý, "Slovakia: Changes in Public Administration," in Emil Kirchner, ed., *Decentralization and Transition in the Visegrad: Poland, Hungary, the Czech Republic and Slovakia* (New York: St. Martin's, 1999), 107.

54. Before 1989, there had been regional offices in Slovakia (as well as in the Czech Republic). These offices were abolished in both republics in the spring of 1990; see *ibid.*, 105. The Czechs did not follow the Slovaks in recreating them a few years later.

positions.<sup>55</sup> As part of this reform, a number of policy areas were further centralized; for example, the appointment of provincial education officials became the prerogative of the Interior Ministry rather than, as previously, the Ministry of Education.

Unfortunately, there is no systematic documentation of the exact numbers involved, but it is common knowledge in Slovakia that the staffing opportunities created by the reform provided HZDS and its partners the opportunity to colonize the state bureaucracy. To quote a description of this period in a volume on public administration reform in ECE,

The current policy of recruiting personnel, not only for top posts in the new regional and district levels of administration, fits into a more general political and clientelistic style of holding power—what is more, it prefers candidates to hold similar views to those of the ruling parties.<sup>56</sup>

There is even evidence of the government parties' penetration of the state bureaucracy from those parties themselves. An internal HZDS document titled "The Main Tasks of HZDS" was leaked to the press in 1996. It recommended that "HZDS should work to strengthen its position within Slovak society by continuing to reshuffle personnel within the state administration and diplomatic corps."<sup>57</sup> Even statements by the HZDS leadership confirmed the party's attempt to recruit its supporters into the state bureaucracy:

Asked whether the HZDS knows that state administration employees are being approached and asked to join the parties of the government coalition in order to secure their remaining in the state administration, the HZDS deputy chairman [Marian Huska, then the vice chairman of Parliament] replied: "Yes, the governing parties are expanding their membership base in this way, whether anyone likes it or not."<sup>58</sup>

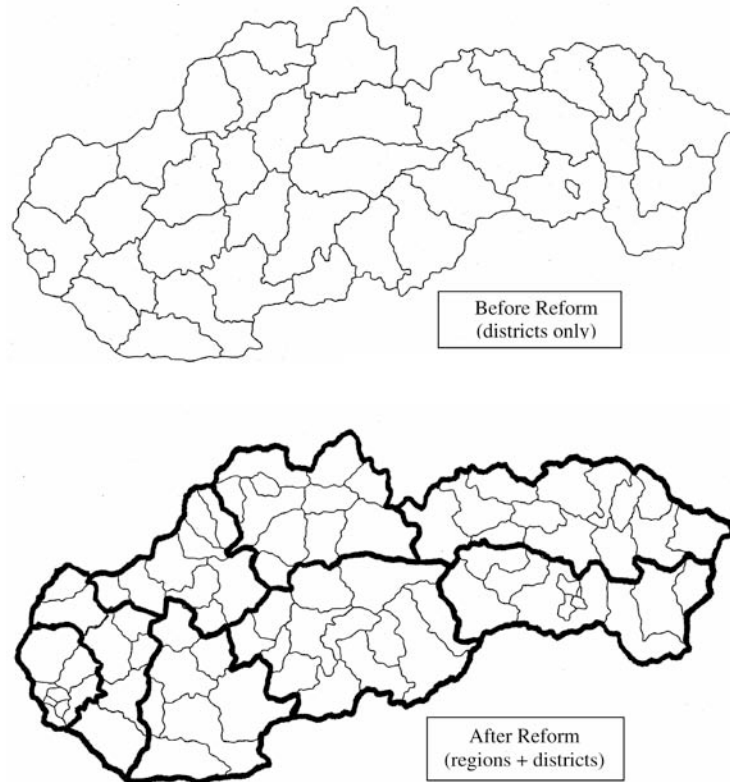
55. Data requested from the Slovak Statistical Office's Infoservis, July 2001, Bratislava.

56. Falt'an and Krivý, "Slovakia," 110.

57. Vladimír Krivý, "Slovakia and Its Regions," in Martin Bútora and Thomas Skladony, eds., *Slovakia 1996-1997: A Global Report on the State of Society* (Bratislava, Slovakia: Inštitút pre verejné otázky, 1998), 59.

58. Quoted in Kevin Krause, "Accountability and Party Competition in Slovakia and the Czech Republic" (Ph.D. diss., University of Notre Dame, South Bend, IN, 2000), 38.

**Figure 1.** A map of the Slovak public administration before and after reform (1996)



*Note:* The darker boundary lines enclose regions and the lighter ones districts.

The second way in which the reform benefited the government parties was in the redrawing of district boundaries. These parties took this as an opportunity for undisguised electoral gerrymandering. To quote again from the country report cited above,

Apart from strengthening the position of Mečiar's party in state administration, in connection with the establishment of new regions and districts, the recently introduced division has some other partisan connections. The new territorial-administrative division of the Slovak Republic has significantly multiplied the number of districts in which the HZDS achieves electoral success, so that they now outnumber the

districts in which support for HZDS is low. Under the previous administrative structure, this was not the case.<sup>59</sup>

The gerrymandering of district boundaries was especially pronounced in Slovakia's ethnic Hungarian areas, where the new boundaries minimized the Hungarians' voting power. Ethnic Hungarian parties have traditionally formed the best-organized opposition to HZDS, and these areas were their strongholds.

Because of a major shift in Slovakia's political scene, there is a postscript to this story. As noted earlier, the Mečiar government fell in 1998 and was replaced by a large, heterogeneous coalition of former opposition parties. Having suffered from the patronage politics of the first regional reform and having campaigned on a pro-EU platform, the new government reopened the issue of regional reform. The circle who had advocated regional reform in the early 1990s now came into its own: Viktor Nižňanský led a team of experts who, over the course of two years, developed a meticulous blueprint for decentralizing the administration.

In August 2001, the government proposed Nižňanský's plan in Parliament. It quickly became apparent that the government did not have sufficient votes even among its own coalition to pass Nižňanský's proposal.<sup>60</sup> A number of parties feared that they would not compete successfully in regional-level elections.<sup>61</sup> More problematically still, HZDS, which had won the plurality of votes in the 1998 elections, strongly opposed changes to the regional structures it had created in 1996; HZDS proved very successful in transforming the intent of Nižňanský's plan through a series of parliamentary amendments, which a number of government parties ended up supporting. In the parliamentary voting, only the Christian Democrats (KDH) and the Hungarian Party (SMK) voted for the government proposal. The main government parties—the Party of the Democratic Left (SDL), the Party of Civic Understand-

59. Falčan and Krivý, "Slovakia," 115.

60. Peter Kunder, "Vyhrali politici: porazili reformu" [The Politicians Won: They Defeated the Reform], *Sme*, 6 July 2001.

61. Marek Vagovič, "Reformné K.O.: Skutočnú reformu verejnej správy parlament odmietol" [Reform Knockout: The Parliament Rejects the Real Sense of Public Administration Reform], *Domino-Forum*, 12-18 July 2001.

ing (SOP), and many of the deputies from SDK—voted with the opposition HZDS against the key points of the government’s plan. Where Nižňanský’s proposal had called for new regional boundaries, drawn to match EU criteria, the enacted legislation retained the old, gerrymandered boundaries from HZDS’s reform. Where Nižňanský had called for liquidating the old government-appointed district and regional offices, the enacted version retained them. Essentially, all the reform accomplished was to add a new level of regional governance institutions, whose powers and sources of funding were left largely unspecified and who would have to compete with the state’s territorial administration.<sup>62</sup> After the voting, Nižňanský resigned his post, loudly criticizing the legislation.<sup>63</sup>

In all, Slovakia’s experience with regional reform—in both of its iterations—highlights the primacy of domestic party politics. In the first iteration, Mečiar’s government co-opted the idea of regional reform to solidify its hold on power and weaken the opposition. It was a classic case of institution building in a machine-style party system: one party was able to capture the reform project to increase its patronage resources *and* was able to exclude other parties from this state-derived patronage. The second iteration of regional reform occurred only after the domestic political situation changed, and the character of that reform—a watered down, face-saving measure by a government unable to rally its coalition partners—reflected the new coalitional logic of the post-Mečiar political order.

#### Poland’s reform: Something for everyone

In contrast to Mečiar’s centralizing policies of administrative deconcentration, devolution was the chosen instrument of regional reform in Poland. Against reformers’ original intentions, however, Poland’s regional reform increased the size of the public

62. See Vagovič, “Reformné K.O.”; and Kunder, “Vyhrali politici.”

63. Stefan Hríb, “Čo sme to za reformátorov?” [What Kind of Reformers Are We?], *Domino-Forum*, 12-18 July 2001.

administration as a whole<sup>64</sup> while introducing new ambiguities and competitive dynamics between the state administration and elected officials.<sup>65</sup> The administrative boundaries before and after Poland's decentralization are illustrated in Figure 2. Before 1998, the administrative map of the country consisted of the central government, 49 governmental<sup>66</sup> regions, and elected local governments. After the reform, the administrative map contained the central government, 16 regions with separate governmental and elected administrations, and 373 elected district governments.<sup>67</sup> Local governments were left unchanged. In all, the reorganization created 324 new units of subnational state administration. It also established 324 elected subnational governments, which amounted to 12,469 new positions.<sup>68</sup>

The first thing to notice about this reform, then, was a massive increase in the size of the public administration. In the commotion of reorganization, roughly fifty thousand positions were either created or reassigned.<sup>69</sup> The new, elected regional and district councils provided a means to build party organizations at the subnational level. Throughout the 1990s, Polish parties had very weak subnational organizations because of insufficient financial resources.<sup>70</sup> The district and regional councils would be salaried posts, providing parties new resources to build up subnational organizations. Moreover, the extensive influence of political parties in the selection and promotion of administrative staff meant

64. Koral, "Sukcesy i porażki," 51.

65. Janusz Sepioł, "Reforma samorządowa w działaniu" [The Self-Government Reform in Actual Practice], in Kolarska-Bobińska, *Cztery reformy*. To give one example, the reform charged each regional self-government with formulating regional policy but entrusted the centrally appointed regional prefect with monitoring that policy and with negotiating regional policy contracts with the central government ministries. In the words of one *wice-wojewoda* (vice regional governor), this led to "competency battles" and, in many cases, a struggle to determine who is more important, the prefect or the self-government (Author's interview with anonymous official, Kraków, Poland, 1 August 2001).

66. These administrative units were subordinate to the central government and headed by its appointees.

67. Sixty-five of the new districts were larger cities that took on the powers of district governments in addition to those of local governments.

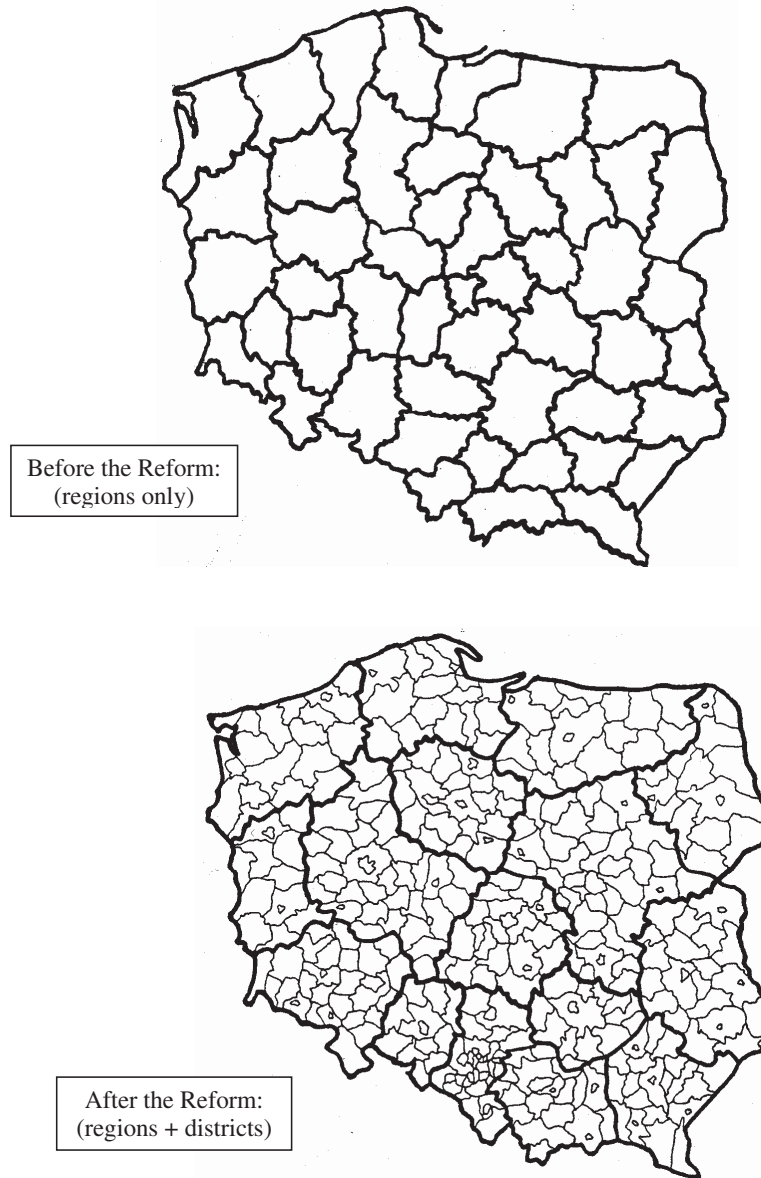
68. *Rocznik Statystyczny Rzeczypospolitej Polskiej* [Statistical Yearbook of Poland] (Warsaw, Poland: GUS, 1999).

69. Author's calculations using the 1999 and 2000 Polish statistical yearbooks; see *ibid.*

70. The exceptions to this rule were the post-Communist SLD and PSL, which had kept many of the organizational resources of their predecessors in the old regime.



**Figure 2.** A map of the Polish public administration before and after reform (1998)



*Note:* The darker boundary lines enclose regions and the lighter ones districts.

that the 1998 reorganization was a bonanza for parties at all levels of government. The central government parties had a free hand to radically “reorganize” the governmental regional administrations, as they consolidated staff from the previous forty-nine offices to sixteen. In each of the new regional and district elected councils, the victorious party or party coalition was in a position to set up its own administration. Thus, the opportunities for patronage were bountiful, and they were enjoyed by all parties—or at least those parties that could win elections at any of the now four levels of government. If these considerations suggest that the 1998 reform led to an inflation of the public administration, an examination of the process leading up to reform enactment shows how that inflation occurred.

The leitmotif running through this process was one in which a fragile coalition of government reformers—led by Plenipotentiary for Public Administration Reform Michał Kulesza—attempted to bring reluctant coalition partners on board and bought off opposing parties in order to win a parliamentary majority to enact reform while the political conditions were still favorable. The list of parties co-opted in this fashion included virtually the whole parliamentary spectrum. From the fractious government coalition, it included the Christian Nationalists, the post-Solidarity AWS, and more. It also included the opposition SLD and Peasants’ Party (PSL). In this political horse-trading, each party got a piece of the spoils. This result differed sharply from the Slovak one, where the benefits went to the dominant political machine rather than being shared among all parties. It also reflected the instability and fluidity of the Polish party system, which made it difficult to form coherent governments and for those governments to build majorities for enacting policy.

A review of the stages of reform, from proposal to parliamentary enactment, illustrates the above dynamic. The first question facing the reformers was the number of regions (*kraje*) to be established. Policy experts who had been working on this problem since the early 1990s agreed that the ideal number of regions was twelve. Their criteria were the following: fitness for receiving outside funds (especially EU Structural Funds), economic self-sufficiency, diversified industrial profile, cohesive infrastructure, cul-

ture, the presence of an academic center, and the presence of a hub city. The more politically popular alternative, however, was fifteen to seventeen regions. Despite lobbying within the coalition for more regions, Kulesza prevailed initially, and the government's proposal to the Parliament envisioned twelve regions.

Once the reform passed from Kulesza's experts to the political arena, however, the inflation of units and personnel began—as well as the dilution of the policy's original intent. The opposition PSL and SLD rejected the government's number because it encroached on their organizational advantages in the regions (especially in the case of the PSL) and because it was seen as a way of undercutting the government tactically (in the case of the SLD). It soon became apparent that even within the government coalition, there were many who wanted more than twelve regions; the government could not count on a majority within its own coalition.<sup>71</sup> Kulesza's team decided to make concessions to get the reform passed.<sup>72</sup> First, they agreed that the reduction of the number of regions would not force those already employed in the regional administrations out of their jobs if their region was abolished. Instead of the twelve regions originally proposed, they settled for sixteen.

The *powiat*, or district, also became an important bargaining chip in the passage of Polish regional reform. The district was a unit of government that had existed since before the first partition in 1795 and then later in the interwar Polish Republic, but the Communists abolished it in 1975. In the minds of the technocrats designing the 1998 reform, regions—not districts—were the most important element of decentralization because regions were seen to further EU accession. In the parliamentary negotiations, however, districts became a major element of decentralization, and a new inflationary spiral began. Initially, the expert opinion prepared by the Ministry of Finance proposed 150 districts, which, it argued, would yield economically viable districts capable of effi-

71. Janelle Kerlin, "The Politics of Decentralization in Poland: Influences and Outcomes" (Paper presented at the Annual Meeting of the American Political Science Association, San Francisco, 31 August 2001), 16.

72. Author's interview with Michał Kulesza, Warsaw, Poland, 5 October 1999.

ciently delivering public services. The government team proposed a so-called 5-10-50 formula for drawing district boundaries—meaning that each district would comprise at least five municipalities (*gminy*), have at least ten thousand inhabitants in the district seat, and have an overall population of at least fifty thousand. From the original 150 districts, the political process drove the number up to 373 in all. This included 71 districts that did not fulfill the 5-10-50 formula. The Finance Ministry team objected, drawing up a list of districts that should not be created because they would be unviable economically and administratively.<sup>73</sup>

By now, however, political considerations were more important than technocratic ones. Kulesza wanted to push through decentralization as quickly as possible, before the political situation could change. The conviction that speed was paramount came from Kulesza's personal experience under the post-Solidarity governments of the early 1990s. At that time, Kulesza and others had worked out a plan for decentralization only to see it die a quick, mostly unnoticed, death when the SLD-PSL coalition took power in 1993. To avoid a repetition of this experience, Kulesza decided to make concessions with whatever group necessary to get their support in the parliamentary voting.

First, he courted local politicians, who were eager to form small districts under their control, not only for the new offices and posts that would be so created but also because they believed the new districts would be the conduits of central government funds. Although according to the reformers' plans for fiscal decentralization, smaller districts would not mean more money from the national budget at the local level, the mental habits of a long-centralized system public finances were deeply ingrained. This local lobbying was directed toward the respective national MP. The government reformers used districts as coinage to buy the votes of recalcitrant MPs for the reform as a whole. As one parliamentarian confessed about this process,

There are also too many counties [districts] because we succumbed to blackmail so representatives would support the reform. We bought

73. Kerlin, "Politics of Decentralization," 14.

representatives. If a representative was not in favor of the reform—was going to vote against it—we gave them a county in their region in exchange for their vote. Representatives would say they would not vote in favor of the reform unless they were given a county in their region. . . . It was a compromise—a worse solution for the reform in exchange for the reform to happen at all.<sup>74</sup>

The reform's proponents also accommodated disgruntled interests in cities that had served as regional seats in the former forty-nine regions. These cities wanted to keep their status as gatekeepers between the provinces and the central government. To buy off this group, the reformers introduced an amendment conferring district status on larger cities—in addition to their status as municipalities. As one parliamentarian noted, "We also knew that allowing the creation of cities with county status was not sensible. Here again we succumbed to blackmail. We had to give in to the demands of former provincial capitals for county status."<sup>75</sup>

Although regional reform radically changed the Polish political map, early indications suggest that, in the best case, it has not much ameliorated problems of subnational governance and, in the worst case, it has exacerbated them.<sup>76</sup> First, the decentralization of offices and policy tasks was not matched by the decentralization of public finances, leading to severe budget problems for the new subnational governments. Second, the reform did not clearly divide tasks and powers between the subnational self-governments and the branch administration of the central state,<sup>77</sup> the detrimental effects of which were perhaps clearest in the field of social policy.<sup>78</sup> Even while noting the difficulties of evaluating the 1998 decentralization policy

74. Mirosław Sekula, Chair Polish Parliamentary Committee on Administration and Internal Affairs, quoted in Kerlin, "Politics of Decentralization," 14-15.

75. Mirosław Sekula, quoted in *ibid.*, 15.

76. Sepioł, "Reforma samorządowa"; Koral, "Sukcesy i porażki"; and Witold Kieżun, "Czterej jeźdźcy apokalipsy polskiej biurokracji" [The Four Horsemen of the Polish Bureaucratic Apocalypse], *Kultura* (March 2000): 3-12.

77. Władysław Tyrański, "Bez hipokryzji proszę: rozmowa z Markiem Nawarą, marszałkiem województwa małopolskiego" [Please, No Hypocrisy: An Interview with Marek Nawara, Speaker of the Małopolska Regional Parliament], *Wspólnota Małopolska*, 27 March 1999.

78. Janelle Kerlin, "The Political Means and Social Service Ends of Decentralization in Poland: The Story of Poland's Mid-Level Public Administration Reform and Its Effect on Social Service Delivery" (Ph.D. diss., Syracuse University, Syracuse, NY, 2002).

so soon after its implementation, the Polish public finance expert Zyta Gilowska made the following critical assessment:

The new units of territorial self-government are weak, and the central government has not gotten any stronger. . . . It seems that the opinion as to the weakening of public power during this stage of the transformation is justified. The real course of reform has been rather a process of chaotic scattering [of offices and tasks] than of the coherent decentralization.<sup>79</sup>

#### Czech regional reform: Social Democrats versus conservatives

If Slovak regional reform brought deconcentration and expansion, while Poland's variant meant devolution and expansion, the Czech reform brought devolution with consolidation—that is, without politically fueled state expansion. In contrast to Poland and Slovakia, the regional reform debate in the Czech Republic was framed in essentially economic terms. The main actors in the debate were the Social Democrats (ČSSD) led by Miloš Zeman and the conservative Civic Democratic Party (ODS) led by Václav Klaus, both well-organized, programmatically defined parties. ČSSD supported decentralization, arguing that regional self-governments are better able to frame regionally tailored economic policies and thus create faster rates of growth. The conservative ODS, on the other hand, opposed regional governments as leading to creeping state interventionism in the economy and runaway state expansion. ODS argued that decentralization would lead to the “atomization” of the state, that it would tie the central government's hand in economic policy making, and that the loss of control over regional budgets would lead to inflation.<sup>80</sup> As Klaus remarked in 1996, “After having successfully abolished regions in 1990, do we really want a new regional bureaucracy?”<sup>81</sup>

79. Gilowska, “Reforma samarządowa,” 37.

80. Miroslav Korecký, “Osm let se bojovalo hlavně o počet krajů” [For Eight Years They Fought Mainly over the Number of Regions], *Lidové noviny*, 10 March 2000; Vladimír Mlynář, “Jen pro otrlé: koalice se opět přela o správní reformu” [Only for the Cynical: The Coalition Again Skims over Administrative Reform], *Respekt*, 4–10 July 1994; “Nové kraje mají přiblížit úřady k občanům” [The New Regions Should Bring Offices Closer to Citizens], *Hospodářské noviny*, 18 April 2000; and Marek and Braun, “EU as Regional Actor,” 899.

81. Quoted in Andreas Beckman, “The Big Yawn: Decentralization in the Czech Republic,” *Central Europe Review*, 20 September 1999.

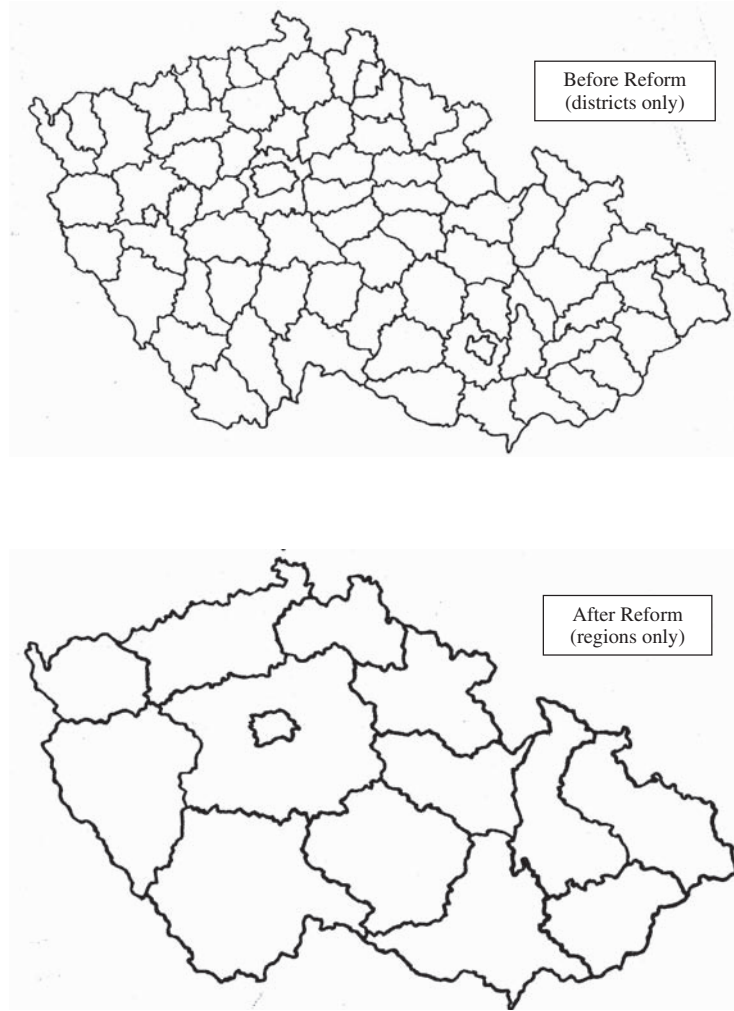
The coalitional logic of regional reform was thus very different from that of Slovakia and Poland. Neither ODS nor ČSSD ever had enough of an upper hand to impose its own self-serving solution, as in Slovakia. On the other hand, each party was able to form strong enough governments that it did not need to scramble to buy off a host of other parties to enact its policies, as happened in Poland.<sup>82</sup> Instead, regional reform was a battleground between two entrenched political rivals, each of which had the organizational strength to survive without being in government. To the observer, the politics of Czech regional reform often resembled gridlock, and the eventual version of decentralization was very much a political compromise.

As noted earlier, the Czech Constitution had mandated the creation of regional governments since 1993, but the ODS government had thrown up obstacles to implementing the mandate. The first skirmish came in 1993, when the Office for Legislation and Public Administration made two proposals concerning the reform of the state administration, the first calling for thirteen regions and the second for eight. The proposals envisioned elections to new regional parliaments in 1995. Though the government coalition had agreed to approve legislation for setting up regional structures no later than 1994, ODS offered a counter-proposal that it knew would be unacceptable to the other parties. Yet another counterproposal to create nine regions by one of the other government parties came close to passing but was blocked by ODS.<sup>83</sup> This gridlock began to ease after the 1996 elections, which saw greatly increased support for ČSSD and an erosion of ODS's position. A coalition for regional decentralization led by ČSSD formed over the issue of creating regional parliaments. ODS remained opposed. On 3 December 1997, the parliament took the initiative and passed a constitutional act creating fourteen new regions, arguing decentralization could not be postponed any longer.

82. KDU-ČSL and ODA were more supportive of regional decentralization, yet ODS was able to consistently override its coalition partners on this issue (see Korecký, "Osm let"), highlighting the essentially bipolar character of Czech party competition.

83. Korecký, "Osm let."

**Figure 3.** A map of the Czech public administration before and after reform (1997- 98)



*Note:* The darker boundary lines enclose regions and the lighter ones districts.

What had changed to make such a breakthrough possible? It was, quite simply, the rapid decline of ODS's political fortunes. The party had undergone a corruption scandal in the fall of 1997, which resulted in Klaus's resignation as prime minister and the



departure of a number of the party's MPs to the newly established Freedom Union (US). ODS's fall from power ended in a vote of no confidence and the installation of a caretaker government from January to June 1998, when fresh elections brought the ČSSD to the government. Thus, regional reform happened at a moment of political crisis, not because of EU pressure. Furthermore, even in its weakened state, ODS was still able to keep regional reform weaker than the ČSSD would have liked, even if it could no longer block it.

In its final version, Czech regional reform was a compromise between, on one hand, ČSSD's vision of region-led economic development and expanded political participation and, on the other hand, ODS's fears of an expansionist state bureaucracy.<sup>84</sup> This reform achieved real devolution of power, but not, as in Poland, at the cost of unnecessary expansion. As Figure 3 shows, the policy established fourteen regional parliaments in the Czech Republic, consisting of 685 elected positions and exercising as yet vaguely defined powers in education, culture, and regional policy. Because ODS feared that granting the regional governments too much discretion would invite expansionary fiscal policies, the public finance system remained quite centralized. To address the conservatives' fears that decentralization would swell the size of the public administration, the reform abolished seventy-six government-appointed district administrations effective in 2002.<sup>85</sup> As a further concession to the avowedly Euro-skeptic ODS, the Czech regional boundaries were drawn differently than the NUTS 2 used in EU regional policy; this had the effect of preserving the central government's control over the implementation of Structural Funds programs.<sup>86</sup> Not simply façade institutions for satisfying EU criteria, however, the new regional self-governments have fundamentally changed the institutional apparatus of the territorial

84. Interestingly, ČSSD tried in 1999 to amend the number of regions once again, from the fourteen enacted in 1997 to the nine that regional policy specialists argued would be optimal. Illustrating again the power of the political opposition in the Czech system, this attempt failed; see *ibid.*

85. To highlight the importance of this accomplishment, recall Slovakia's second round of regional reform, where the government was unable to win support for abolishing the district-level state administration to compensate for the new regional governments.

86. There are eight NUTS 2 regions in the Czech republic, which do not have elected institutions. They are purely administrative entities for the implementation of Structural Funds programs.

administration, having taken over a whole set of tasks from the system of state-appointed district offices that they replaced.

One difference from the other two cases is striking. Namely, decentralization did not expand the public administration. A comparison of the “before-and-after” maps (Figures 1, 2, and 3) shows that Czech reform was the only one that simplified the administrative map rather than complicating it. This reflects the coalitional logic of the Czech party system, which prevented reform being captured as a source of patronage. The political opposition was strong enough to constrain the government that enacted the reform, and the government was sufficiently cohesive that it did not need to buy off other parties to build a parliamentary majority.

## **5. Conclusion**

The substance of regional governance reform varied across Poland, the Czech Republic, and Slovakia in ways that nicely illustrate the limits of Europeanization and throw the impact of domestic political considerations into sharp relief. The coalitional politics faced by the government undertaking regional reform have been the primary factor shaping institutional outcomes.

In Slovakia, regional reform led, ironically enough, to centralization. In Poland, real devolution occurred, but only at the cost of dramatically expanding the state apparatus rather than simplifying and streamlining it. In both cases, political parties were the real beneficiaries of reform, but there was a marked difference in terms of how the spoils of reform were shared among parties. The political benefits of Slovakia’s version of public administration reform flowed chiefly to one party, the HZDS party that had executed it. In Poland, on the other hand, no one party wholly controlled the shape of regional reform, and no one party enjoyed its benefits. Only the Czech Republic managed to avoid a patronage-dominated regional reform, achieving devolution without runaway expansion. I have argued that it did so because the Czech party system allowed for the formation of strong governments and a credible opposition.

There remains, of course, the question of how well this argument about regional governance reform in post-Communist ECE

applies to other kinds of international institutional transfer. Can one discern the same combination of political opportunism and policy unpredictability in other areas of Eastern European states' harmonization with the *acquis communautaire*? Should the lackluster results of the Europeanization hypothesis in the area of regional governance reform cast doubt on the applicability of this hypothesis across the board? Clearly, this will be a question for future research to adjudicate, but the research here offers some initial guidelines for framing the question.