

## DOCTRINARY OPINIONS REGARDING THE AUTONOMY OF COMMUNITIES IN THE LOCAL PUBLIC ADMINISTRATION MANAGEMENT

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### Abstract:

*Addressing the issues of delimitation and enhancement of local autonomy in the management of local communities is an exciting and challenging endeavor, especially since this subject is very topical. This paper, built up on the investigation of recent publications in local government management, presents a unified position reflected in the field literature on the decisive role of the autonomy of communities in the management of local development. Furthermore, it should be considered that, in many of the studies under investigation, there is some consistency in the approach of the financial dimension of autonomy, without which there cannot be a successful self-management of local public affairs. This paper also points out that only under conditions ensuring a genuine local autonomy it is possible to meet the needs of local communities by providing quality public services.*

**Keywords:** local government management, local autonomy, local communities, administrative-territorial units

**JEL Classification:** H83

### INTRODUCTION

Various managers and great specialists have devoted a good part of their time to study the complex problems related to *local autonomy in the management of local communities in administrative-territorial units*. At local scale, self-governing refers to the powers that are attributed to the communities and public authorities which represent their interests and act on their behalf.

There are many unclear aspects, arguable in connection with *insurance, strengthening and implementation of local autonomy in the management of existing local communities*. Among these matters which require clarification and that should be subject to extensive discussion, there are issues such as those related to the organization and functioning of local government autonomy, independence in exercising the competences conferred to those authorities, providing the necessary resources to implement the powers and guaranteeing the possibility of involving community members in addressing and managing existing local public affairs and of particular interest to the community.

In seeking clarification of these issues, we start our approach by investigating and examining various existing studies and publications in the field. In this respect, we submit to inquiry ten articles published in recent years, enabling us to establish a fair position in relation to the subject under consideration.

### CONCEPTUAL FOUNDATIONS REGARDING LOCAL AUTONOMY AND LOCAL COMMUNITIES

Many of the recent studies in this area address issues which deal with the relation to the sphere of local autonomy strengthening in the local communities' management.

Since in this paper we use the terms *local autonomy* and *local community*, a first step in our research is to clarify the content of these expressions.

Thus, to the question "What is local autonomy?" the answer given by Maja Lamza, Jerko Glavaš and Slavko Bošnjak in their study entitled "Contribution to the development of the urban management model" is clearly significant. The authors consider that local autonomy is a *collective term that covers different ways of organization in which the citizens of a local collectivity, on their own responsibility and relatively autonomous, organize the pursuit of certain public affairs and their administration* (Lamza and others, 2008).

In the same vein, it must be said that there is a legislative framework that enshrines the principle of local autonomy. It is the Local Government Law that defines local autonomy as *the right and effective capacity of local authorities to resolve and manage, on behalf of and in the interest of the local collectivity that it represents, public affairs, under the law* (article 3, paragraph 1).

Further on, paragraph 2 of the same article stipulates that "this right is exercised by local councils and mayors, and county councils and their chairmen, local government authorities elected by universal, equal, direct, secret and freely expressed vote". Therefore, the way to achieve local autonomy shall be administered by local authorities chosen by community members.

In a similar manner this provision is to be found in the European Charter of Local Self-Government according to which "local autonomy *denotes the right and the ability of local authorities, within the limits of the law, to regulate and manage a substantial share of public affairs under their own responsibility and in the interests of the local population*", and therefore must be exercised "by councils or assemblies composed of members freely elected by secret ballot on the basis of direct, equal, universal suffrage, and which may possess executive organs responsible to them". Also, according to the Charter of Strasbourg, the limits of local autonomy depends on a number of requirements:

- basic skills of the representatives of local authorities are set by the Constitution or by law; this provision does not prevent the attribution of powers to local authorities for specific purposes in accordance with law;

- local authorities have the plenitude of power in the exercise of initiative in any matter which is not excluded from the field of their powers or which are not conferred to any other authority;

- exercise of public responsibilities should generally lie with, preferably, those authorities which are closest to citizens; attribution of responsibility to another authority should weigh up the extent and nature of the task as well as the requirements regarding efficiency and economy;

- the powers conferred to local authorities have to be normally full and exclusive; they may not be limited by another central or regional authority, except in cases envisaged by law;

- when there is a delegation of power by a central or regional authority, local authorities must, wherever possible, benefit the freedom to adapt their action on local conditions;

- local authorities must be consulted, possibly in a timely and appropriate manner in the planning and decision making for all issues that concern them directly.

Maja Lamza, Jerko Glavaš and Slavko Bošnjak, in "Contribution to the development of the urban management model" stress that local autonomy is *the foundation of the structure of democratic states that are signatories of the Charter, which pledged its implementation* (Lamza and others, 2008).

As far as the term *community* is concerned, it should be noted that it receives a concise explanation in only a few words in the *Romanian Explanatory Dictionary*, according to which a community is nothing but *a group of people who lead a collective life*. Less confusing is the meaning given by the Local Government Law, which stipulates that by local community one understands "*all residents of the administrative-territorial unit*" (article 3, paragraph 4).

Another interpretation can be identified in "*A proactive perspective on reform in local public administration*", where the authors relate to local communities as *providers of public services for the interests of their citizens* (Filip and Bolo , 2007).

In establishing ties of interdependence between communities and local development, Lajos Köteles and Katalin Rozsnyai stress in their paper entitled "Some correlations between local communities and area development" the role of *initiator* and *participant* of local community in the development process. The future progress of any administrative-territorial unit depends on the extent to which people will be able to discover such development goals which would ensure local community and thereby they will be *accelerators in the local development process*. (Köteles and Rozsnyai, 2008)

Focusing on the financial risks of decentralization in his work entitled "*Financial inconveniences of decentralization*", F. Tudor clearly states that a developing community is a community that is increasingly dependent on its own decisions and resources , with less and less help from outside. If decisions and resource management are not taken within the community, it will become dependent on institutions and bodies that the community controls more or less directly. The institutions that are not directly controlled by the citizen are less transparent and less effective institutions. (Tudor, 2009)

Therefore, it is indispensable to guarantee autonomy to enable local communities to settle their affairs and regard them and manage their resources, values and mechanisms.

In the view of the previous explanations, it is not wrong to say that local autonomy is the freedom available to local authorities, mandatory of the residents of the administrative-territorial unit, to act in order to satisfy the expectations and needs of those who have appointed them to represent their interests.

## **DIMENSIONS OF LOCAL AUTONOMY IN LOCAL COMMUNITY MANAGEMENT**

In determining the typology of local autonomy it should not be overlooked the indication that Local Government Law makes on local autonomy features, being "only administrative and financial" (article 4, paragraph 1). Further on, the law provides that "local autonomy regards the organization, functioning, powers and duties, as well as the management of resources that, according to the law, belong to the village, town, municipality or county, as appropriate" (article 4, paragraph 1). From the interpretation of these provisions and in line with the views expressed in this area can be identified the *exclusively administrative nature* of local autonomy, since it aims only organizational-functional management of local government authorities and the *financial nature* without which genuine local self-management is not possible.

Regarding the organization and functioning of public administration, it must be said that the determining factor concerning the delimitation of the two levels (central government and local government) is recognized local autonomy. In the paper "*A proactive perspective on reform in local public administration*", the authors state that between local, county and central governments there are relations of cooperation which aim at implementing the public services system, which is very complex, provided in the interest of citizens (Filip and Bolo , 2007).

As for the financial component, many of the specialist papers in the local government management field focus on the financial nature of local community autonomy. Among these works we can mention "*Financial inconveniences of decentralization*", "*The municipal bonds – the cause and the effect of local financial decentralisation growth. Romanian case*", "*Financial autonomy of local communities in Romania - a prerequisite for success of decentralization*", "*Study of local financial autonomy in Romania*" and certainly the list does not exhaust here.

In his work *"The municipal bonds – the cause and the effect of local financial decentralisation growth. Romanian case"*, T. Mo neanu and C.M. L c tu stress that local autonomy is conditioned by financial autonomy, which provides the material support and, at the same time, provides the possibility of organizing, providing and adapting local public services to the specific demands and needs in terms of efficiency and effectiveness. In this way, the specific problems faced by community members, especially the economic and social ones, can be better identified and thus the most appropriate solutions can be adopted. (Mo neanu and L c tu , 2008)

E. Dogariu, in his work entitled *"Study of local financial autonomy in Romania"*, points out that the lack of local financial resources would make it impossible for the local communities to meet the needs of its members, which would lead to the failure of administrative decentralization. (Dogariu, 2010)

The importance of the financial side of autonomy is emphasized by P. Filip and M.I. Bolo in *"A proactive perspective on reform in local public administration"*. In their opinion, local autonomy is the right of local communities to dispose of their own resources and use these resources in providing public services, this being implemented only through the recognition of financial autonomy (Filip and Bolo , 2007).

In his *"Financial autonomy of local communities in Romania - a prerequisite for the success of decentralization"*, A. Profiroiu and M. Profiroiu are of the opinion that to achieve financial autonomy, local authorities must (Profiroiu and Profiroiu, 2007):

- have sufficient own resources to meet their responsibilities;
- be able to freely determine the income and expenditure;
- not be subjected only to a posteriori control of their financial decisions.

According to the study *"The municipal bonds – the cause and the effect of local financial decentralisation growth. Romanian case"*, local autonomy gives authorities the right to decide the appropriate level of local revenue, but also the opportunity and need for public expenditure incurred from these sources (Mo neanu and L c tu , 2008).

Local autonomy has as economic foundation its own heritage area that local authorities manage as a real owner. Thus, local authorities are entitled to their own resources, which they must manage according to their duties. In order to ensure local autonomy, they have the right to establish and collect local taxes, to draw and to approve the revenue and expenditure budgets of communes, towns or counties. (Profiroiu and Profiroiu, 2007)

Relevant for training and management of local financial resources are the provisions of the European Charter of Local Self-Management which recommends certain principles:

- local authorities are entitled, within national economic policy, to sufficient own resources which they may dispose of in freely exercising their powers;
- local financial resources must be commensurate with the responsibilities under the Constitution or the law;
- at least a part of local financial resources must come from local taxes and duties for which they have the power to fix them within the law;
- sampling systems based on available local resources must be sufficiently diverse and evolutionary to enable them to pursue, wherever possible, in practice the actual development costs of exercising their powers;
- support of financially weaker communities requires commissioning fair financial allocation procedures or equivalent measures designed to correct the effects of the unequal distribution of potential sources of funding and tax burdens imposed on them; such procedures or measures should not reduce the freedom of option of local authorities in their area of responsibility;
- local communities must be consulted, in an appropriate manner, on the way of awarding reallocated resources that should come to them;

- local grants should not, where possible, be intended to finance specific projects; the allocation of subsidies should not affect the basic freedom of local politics in their own field of competence;

- to finance capital investment, local communities must have access, in accordance with law, to the national capital market.

As an amendment to these provisions of the Charter of Strasbourg, the author of "*Study on local financial autonomy in Romania*" warns that, although certain basic principles are fixed, there are a number of differences between local communities. Thus, in addition to regional and demographic differences, there are other factors such as the status of local communities, the number local government levels, separation of powers, public finance system. (Dogariu, 2010)

Local authorities should have a real financial autonomy in exercising their powers, which becomes the real stake of a successful decentralization. (Profiroiu and Profiroiu, 2007)

Underlining the relationship between existing resources locally and the development of a territory, M. Burtic , in his "*The link between the management of the development of a territory and the capitalization of local resources*", argues that local government management requires the guidance of public authorities in managing community affairs, including on exploitation of local resources. This is exacerbated by the fact that, the principle of local autonomy being in function, local authorities are able to have the necessary force to gain genuine autonomy for decision-making under the conditions in which the skills area is amplified, including those on attracting and using local resources. (Burtic , 2008)

According to the study "*Strategic changes in public management at the local level of administration in Romania*", one of the main directions in the process of change in public management at local level regards the strengthening of the administrative and financial autonomy (Androniceanu, 2007).

Professor James Katorobo, in his "*Decentralization and local autonomy for participatory democracy*", believes that there are two ways to strengthen local autonomy.

The first aims to mobilize local community resources and reduce their financial dependence from central government. This option is realistic and applicable if the local community is wealthy and there are potential sources of income; in reality, public authorities at local level have a limited ability to access and collect revenue.

The second option regards the possibility of the local governments to receive substantial transfers from the central government, which leads to the intervention of central government in the local public affairs, thus reducing the degree of autonomy that local government authorities might enjoy. Achieving high levels of management will increase the degree of local autonomy. (Katorobo, 2005)

Therefore, without materializing the financial dimension of local autonomy there cannot be a real self-government. Ensuring effective implementation of local autonomy in the management of communities implies the existence of financial, human and material resources, without which self-management would not be possible and local authorities, representatives of the community, would be unable to complete their task.

## CONCLUSIONS

In the light of the present approach, we can conclude that the issue of local autonomy in the management of the communities in the administrative-territorial units raises broader discussion. Only by ensuring real autonomy, local authorities are free to manage and resolve issues that concern them closely. If ensuring and strengthening local autonomy and thus the process of decentralization, we could assist to the improvement of the quality of public services available to communities, to the increase of efficiency in meeting their expectations, and local governments

would be better able to respond and meet the demands of the community members and at the same time of the local development requirements.

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