

The Scandinavian countries, a possible model for Romanian public administration

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1. The general background of the research

The analysis of the Scandinavian administrative models holds relevance in that it reveals the *specificities of the administrative systems* and contributes to understanding how these contributed in time to ensuring an appropriate life standard for citizens in northern Europe. The result is already known and can be summarized as: general welfare and efficient organisation, which meets the expectations of citizens, in administration but also in the other areas of the state's authority.

Finland is a *model of professionalism, ethics and moral* in dealing with citizens' needs and meeting their expectations. This is reflected in the level of the PCI – **Perceived Corruption Index** in the study prepared by Transparency International based on the assessments of politicians and business people). Thus, Finland scored 9,6 points, compared to Romania which scored 2,9 in the same period of time. Whereas Finland ranks first as the country with the lowest level of corruption in Europe, Romania ranks a mere 83 out of the 133 countries monitored in 2003 by Transparency International.*

The political decision-makers and the business world frequently make use of such instruments in order to assess the state of an economy in the current international environment, and even more importantly, *the sustainable progress made in the economic, legislative and institutional reforms*. These are what ultimately generates the success and security of business, the economic, social and political stability of a country.

Sweden is one of the world's most developed countries, with some of the highest scores of *demographic and economic development indexes* (ranking 6th in 2000) and also a high value of GDP per capita (over 20.000 USD). It has to be noted that in 2004, Sweden had the highest level of *investment for research and development* in the European Union (over 3% of GDP). Unlike in the other developed countries in the European Union, in Sweden, during the 1990's, the public service sector registered the *highest dynamic in the number of jobs*, accounting for over 60% of the GDP increase. This is why the example of Sweden must be taken into account, because in Romania, too, there is need for investment in development and research, which would entail a better education of the population but also allow for *improved transparency, functionality and efficiency*, once this information and knowledge are assimilated into the public sector.

2. The main similarities between the administrative systems of Finland and Sweden

The *head of state* has more or less a symbolic role in both systems. The similarity consists of his/ her *prerogatives in relation to the Executive*. Thus, in Finland, the president nominates his

* PCI measures the **perception** of the level of corruption as assessed by (1) the business environment, (2) the risk analysts and (3) the public in a particular country. It varies between 10 (maximum level of probity) and 0 (maximum level of corruption). The scoring is done in each country, on the basis of independent studies (enquiries) carried out during the last years.

candidate for Prime minister; in Sweden, the king or queen has mainly official and ceremonial duties but recently the head of state has been attributed the right to nominate the Prime Minister.

Within the organisation of Parliaments in both countries there is a **structure with similar prerogatives**: in Sweden, a presidium formed of 4 spokespersons, of whom one representing Parliament as an administrative structure (Talman), which coordinates the activity of Parliament and is chosen from among the members of political parties; in Finland, Parliament chooses a spokesperson and two deputies responsible for planning and approving the agendas of plenary sessions as well as for other additional issues discussed within the plenum.

Both states have a **single-chamber Parliament**. The Swedish one has 349 members and the Finnish one 200 members, all of whom are chosen by direct vote every 4 years.

Another similarity regards the **legislative initiative** which in both cases is a prerogative of the Government. However, members of Parliament can also initiate bills.

Structures with similar responsibilities also function within the **Cabinet of the Prime Minister**. In Sweden, within the Cabinet there is the Stadtradsberedningen – Bureau of the Prime Minister, comprising approximately 55 persons and consisting of two sections: the Unit for Political Information and Counselling with members of a specific political affiliation, organised on the basis of clear principles, and the Legislative Department where the members are non-political and take part in all constitutional and legal procedures. In Finland, the Bureau of the Prime Minister is organised as a ministry and has three departments: the General Department (administrative activities, translations and archives), Information Department and the Group for Public Policy Planning.

In both states the **public administration is structured on three levels**: national, regional and local; also, institutions at the lower levels have as main responsibility the implementation of decisions taken at the superior levels. However, from the point of view of decentralization there are major differences which will be dealt upon in the next section.

It should be noticed that both administrative systems acknowledge the European level as distinct and having a major impact on governance but also on the day-to-day life, which justifies the legitimacy of representatives in the European institutions.

3. The main differences between the administrative systems considered

To begin with, we must notice that Finland is a **presidential republic** whereas Sweden is a **constitutional monarchy**.

The Swedish **judicial authority** has a distinctive feature in that a special administrative court exists, known as the Superior Administrative Court.

Another distinction can be made in what regards the **fundamental legislation**. Thus, the Swedish constitution adopted in 1978 is based on three fundamental laws: the Governance Act, issued in 1974, the Succession Act, adopted in 1810 and the Freedom of press Act, issued in 1949. In 1991 a fourth fundamental law was included, regarding the freedom of speech. The Finnish constitution has no other fundamental acts, only ordinary legislation detailing its provisions.

In what regards the **procedures for preparing draft legislation** by the Government, they differ substantially from one system to another. Thus, in Finland all ministries form together the State Council, which has the responsibility of drafting the bills which are forwarded to Parliament in the name of the President of the Council – Prime Minister. The ministers carry out their duties within their respective ministries but at the same time also within the **State Council**. The latter implies participation in the Committees of the Cabinet, plenary and presidential sessions. The ministries also deal with a substantial load of administrative issues within the competence of the central level of government.

The weekly agenda of the Government includes, in addition to the activity within the ministry, a series of **special reunions** such as: the Cabinet Committee for Finance, the Plenary session of the Government, the Presidential session, the Governmental Evening Session, the Cabinet Committee for

Security and Foreign Affairs, the Cabinet Committee for European Union Affairs, the Cabinet Committee for Economic Affairs.

The proposals for decisions are fundamented by the civil servants employed in ministries. The proposal supported by the most votes is adopted and in case of equality, the head of cabinet has the decisive vote.

Another specificity of the Finnish model is the Governmental Evening Session, or the « Evening school », which plays an important role in the decision-making process of the Government. The Session is an informal, confidential framework for meetings of the State Council members, where important debates take place on policy matters and where most of the times decisions are initiated – and subsequently analysed, approved by the Council and forwarded to the Parliament in the name of the President. Experts in various fields of interest can be invited to take part in these reunions.

In Sweden, the members of Cabinet meet quite frequently, and hold plenary, formal meetings each Thursday, in which decisions are taken. The plenary sessions of the Cabinet are chaired by the Prime Minister. The Cabinet decides on governmental policies, while lesser issues are discussed separately by the ministers or within small groups formally recognized by the Government. As can be seen, a certain tendency to centralize power can be observed within the Government, but it is counterbalanced by the large number of agencies and commissions in its subordination, with clearly set prerogatives. This means that other important public policies decisions are taken by the independent agencies in the subordination of ministries and by the groups at district level. In fact, ***only political decisions are taken at Cabinet level.***

One of the reasons why Swedish ministries are of rather small dimensions is the important role of the ***numerous committees and commissions*** functioning alongside them. Currently there are almost 200 such committees and commissions with permanent activity.

The ***Swedish public management*** marks another distinction between the two administrative systems in that it comprises groups and institutions for research operating alongside various universities, e.g. the Policy Division within the Ministry of Finance, the National Institute for Economic Research (KI) and the Swedish Statistics (SCB). In addition, the Government can resort to commissions (committees) for information (consultation) and enquiry. These gather together Members of Parliament, decision-makers and any other organisations with a stake in the issue under debate, science experts or representatives of administrative structures. The total number of people taking part in such a commission (committee) cannot exceed 10.

Distinctions can be made also in the ***local administration***. In Finland, the government does not exercise direct regional administration but municipal federations can be set up on the basis of substantial relations of cooperation. Large federations have emerged as a consequence, especially in health and education. In Finland there are more than 400 such municipal federations and approximately 460 municipalities divided into two categories: districts and cities.

The Constitution grants municipalities the ***right to self-governance*** and guarantees them a high degree of autonomy.

Municipalities collect taxes and receive substantial financial support from the state budget in order to maintain the decentralized structures of the state. The main responsibility of municipalities is to provide public services to citizens, especially in health, education and social care.

The ***Municipal Council*** or the ***Municipal Government*** is the authority with the ***greatest decision-making powers*** at this level. It comprises between 17 and 85 members (depending on the population of the municipality) elected by direct vote every four years.

In Sweden, the Central Government is represented at regional level by the ***District Administrative Bureaus*** (lansstyrelse), run each by a Governor appointed by the Government for a period of six years. The other members of the District Administrative Bureaus are appointed by the district counsellors.

The main responsibility of the Bureaus is to represent the Central Government, particularly in matters of regional planning, coordination and administration at district level. In addition, several ***Central Agencies*** have regional offices, often even at district level, run by the ***District Governor***.

The district counsellors (landsting) and municipalities or communes (kommun) play an important role in public management.

4. Main advantages and limitations of the administrative systems considered

On the Swedish model, we notice the *multitude of independent agencies* affiliated to ministries, of groups at district level as well as the numerous commissions and committees operating alongside ministries. This amounts to several hundreds various agencies and state bureaus involved in the public service.

Besides these groups there are *80-90 central bureaus and agencies with decision power delegated by the Government*, e.g.: The National Bureau for Health and Welfare, The National Tax Bureau, The National Agency for Education, The National Bureau for Agriculture, The National Bureau for Family Protection, House Building and Planning, The National Bureau of the Police etc. They are all *independent*, run by a General Manager appointed by the Government for a period of six years and submit proposals for debate by the Government. They are a clear example that, even when part of a centralized system, government structures can, by being locally represented and having clear prerogatives and duties, objectively assess and reflect regulatory needs, which will subsequently allow for smooth and efficient implementation by the local authorities.

The Swedish tradition for strategic approach to problems (long-term thinking) led to the creation of a *flexible and pluralist system* which comprises groups, research institutions and universities. There are also other structures functioning alongside ministries or within permanent bureaus which issue periodic specialized reports. In the case of legislation being initiated by the Government, a rather large number of persons and institutions are or can be involved, in terms of being consulted or approving the content of the draft. They can be part of commissions (committees) of information (consultation) and enquiry (Members of Parliament, decision-makers in the public system, other organisations holding a stake in the issue under analysis, science experts or representatives of administrative structures). The reports of commissions are sent to the responsible minister, to the administrative agencies and non-governmental organisations for analysis. Any organisation, regardless of its scope of activity, can send its opinions to the responsible ministry. The draft legislation is thus analysed and can provide a basis for proposals of public policy proposals forwarded to Parliament.

The entire process is often time-consuming but is considered as a democratic means of carrying out the activity of Government. It offers opposition parties and social organisations taking part directly or indirectly in public policy decision-making, an opportunity to inform the Government of their views before it reaches a decision.

Top management personalities in industry, trade or other sectors can be invited to participate in the discussions which take place within the Consulting Commissions/Committees.

Concerning the Finnish system, it is considered that the existence of the *Superior Administrative Court* is an advantage as it marks a clear delimitation between the courts which guarantee a firm and independent enforcement of justice and those which stimulate authorities to efficiently accomplish their duties. The setting up of such a separate court is desirable also in the Romanian system – besides, it already exists in the French model and other western European systems.

In the Swedish model, it can be noticed that the system is rather centralized, as the Heads of the district Administrative Bureaus are appointed by the Government for a 6-year mandate. This comes as a limitation especially compared to the Finnish system or even the Romanian one, where local authorities are elected by citizens. Moreover, in Finland there are no central control structures at local level, due to the high administrative autonomy of municipalities.

A limitation of the Finnish model is the *monopoly held by the state on certain public activities*, which, transferred to the private system, could prove to be cheaper and consequently, more competitive.

Also in the Finnish system, the associations/ federations of regional and local authorities have an *ambiguous and often incoherent status*. A clearer specification of the scope and range of duties would most probably mark an improvement in the functionality of these structures.

5. Main aspects applicable in the Romanian system

From the point of view of the model of governance, Romania is a *presidential republic*, like Finland.

In a comparison of the *central government system*, it must be noticed that the Romanian model is more compatible to the Finnish one, from the point of view of decision-making procedures within the Government. Thus, in Romania, draft legislation and decisions are fundamented and prepared by ministries, and if more of them hold a stake in the respective issue, they are all consulted. However, the final decision is taken by the Government as a whole, during the Government meeting. Here we see another difference between the Romanian and the Finnish model, which is a similarity to the Swedish one. The Romanian administrative system does not provide for so many ways in which members of the Government can meet. Members of the Executive in Bucharest only gather together in plenary meeting once, and exceptionally twice a week. This is the same in Sweden. In addition, the informal environment for negotiating political and public policy decisions which the «Evening school » provides has no correspondent in Romania although reality has shown that decisions are most of the time taken at this level. It should, however, be mentioned that political leaders in Romania do organise, rather frequently, meetings for debate and often making political decisions, or simply analysing issues on the public agenda. Starting this year, 12 committees and special commissions have been set up for analysis and decision-making in public policy matters.

The *electoral system* in all three countries includes parliamentary elections every four years. The length of mandate for the Heads of state differs significantly – the President in Finland is chosen every 6 years, in Romania every 5 years and in the case of Sweden, as constitutional monarchy, the king fulfills this duty for his lifetime.

In terms of the local administration, the Romanian system is closer to the Swedish one, as it is still rather centralized and more under the control of central authorities. There is, however, an important difference in what regards the *large numbers of independent agencies in Sweden* in the coordination of ministries, and of groups at district level, with clearly-set decisional powers. While agencies also exist in the Romanian system, they are however subordinate from the decision point of view either to one or more ministries, or to the Chancellery of the Prime Minister.

In what regards the court system in Romania, it is much closer to the Finnish one, as it is *structured on three levels*: local, district-level and appeal courts. However, law suit procedures in Finland, in the case of local courts for example, also include a panel of jurors comprising 5-7 members, which is not encountered in the Romanian system. Nor does the latter have a Supreme Administrative Court for judging cases in which state institutions are involved. In Romania, such cases are addressed by courts that have special departments for matters in the administration.

Romanian institutions for training public servants resemble those in Sweden – we are here referring to the National Institute for Administration involved in *the training and specialization of personnel* from central and local level as well as the National Agency for Civil Servants, with a role in the management, monitoring and control of civil service. In Sweden, the Ministry of Finance plays an important part in human resource management. The National Agency for Governmental Employees, in the subordination of the Ministry of Finance is responsible for collective contracts and implementing the personnel policy in the public sector.

A characteristic of the Finnish system which could be usefully adopted is the reduced *number of departments in ministries* – between 4-7. In Romanian ministries on average there are more than 13 general directions. This amounts to unnecessary fragmentation and overlapping responsibilities in areas where more consistency and uniformity is needed for efficient decision-making. In this respect, a careful restructuring would be required to change the organisational structure of ministries after the

special analysis, so that overlapping of responsibilities among departments is eliminated and they are clearly and coherently organised. Such a restructuring would substantially contribute to a unitary coordination of sectoral policies.

Another specific characteristic of the Finnish system are the *relations between Government and Parliament*, both at central and local level. Each year, the Government presents to Parliament a report on the improvement of administration at central, regional and local level. It is considered that such a reporting system can only contribute to fulfilling the imperative need for developing managerial and financial autonomy of local authorities. The system can influence and ensure coherence and strategic planning that is clear enough to contain priorities, objectives, actions, resources and deadlines. It is worth noticing the importance laid on *governing principles* in Finland, **for example** the respect for minorities; this is reflected in the way that the Finnish government, unlike in Sweden or Norway where the Sami population was assimilated, has protected this minority by promoting and respecting its cultural values, including by setting up a representative institution with decisional and administrative responsibilities – the Sami Parliament.

It is also significant to notice that Finland has two official languages, Finnish and Swedish, although the Swedish population is estimated to only approx. 5% of the total. This recognition is reflected in many areas of public life, from public administration, where employees must master the language and use it when necessary, to education, where it is a mandatory subject up to the high-school level, and sometimes even in universities, and to the bilingual messages (often adding the English translation) on all orientation and information signs.

Although the article presents only *some of the results of a more ample comparative study on public administration*, beyond the theoretical contribution there is also a pragmatic dimension of the research – identifying several ***means of know-how transfer from the public administration of the scandinavian countries to the Romanian system***, thus offering an important support in adapting the latter to the specificities of the European context.

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