

## BOOK REVIEWS

*Lőrincz Lajos: A közigazgatás alapintézményei* [The Basic Institutions of Public Administration]. HVG–ORAC, Budapest, 2005. 406 pp.

The experiences of human history demonstrate that at times the leading forces of societies need to pause and retrospect, evaluate the present and outline the future, since the future is obviously anchored in the past, or more precisely, in the present. Thence, the evaluation of “the present” will necessarily result in a conspectus, scilicet, a conspectus of the available, or favourably, accessible facts, circumstances, experiences and knowledge in the specific framework.

I may not be incorrect, if I simultaneously contend, as a university professor dealing with public administration for more than two decades, that in our own (personal) lives peculiar situations ensue or might ensue, when we must also pause and accomplish what no one else can objectively effect, including our colleagues most familiar with our achievements. Scilicet, a conspectus or summary of our theoretical and practical knowledge acquired and scientific achievements attained during the recent years or decades. That is, the commitment to the writing of all the knowledge which perforce we master most.

Initially, these were the thoughts that entered my mind, when I took “The Basic Institutions of Public Administration” by Lajos Lőrincz into my hand and read the work, which was published possibly not unintentionally upon the 70<sup>th</sup> anniversary of the birth of the author.<sup>1</sup> All along, it gave me the impression that I was holding an oeuvre, a *kind of conspectus* on public administration, and not merely Hungarian public administration, in my hand. A conspectus, which intends to provide a comprehensive and complex introduction to the basic institutions of public administration for the first time since the publication of the textbook of Zoltán Magyary in 1942 titled “Public Administration in Hungary”. *Complexity* in this case implies that upon the introduction of basic institutions, the author endeavoured (with success, I might add) to consider the achievements of all sciences concerned with public administration, including those of legal and political sciences, the sciences of

<sup>1</sup> The volume was published by HVG–ORAC Publishing House Ltd. in exacting finish.

administration, sociology and psychology and comparative sciences. In my judgement, however, complexity marks the volume not only by reason of the consideration of the achievements of sciences concerned with public administration from various points of view, but also in the sense that besides drawing on the results of Hungarian special literature, the author works through the American, German and French special literature concerning public administration uniquely from a Hungarian point of view.<sup>2</sup>

*The title projects the introduction of the basic institutions of public administration*, hence, it is regarded important, on the one hand, what the author defines as the concept of public administration, and on the other hand, what the author deems to be “the basic institutions” in the context of public administration. As a matter of fact, this complex question can be answered as follows:

As to the first part of the question, we can establish that *public administration* implies a specific activity of the state carried out by a specific group of experts working in a specifically structured organisation. Thus, public administration can be most clearly described through the detailed introduction and analysis of these three elements, i.e., activity, organisation and staff, which is to be construed as the generic term of state and local administration in a democratic state founded on the rule of law.

As to the other part of the question, *the basic institutions of public administration* are considered to be the three referred to elements of public administration, i.e., activity, organisation and staff, complemented by two further essential elements. One of these, or, if it suits your convenience, a starting point is that public administration is never realised or operates in a vacuum, but in a particular social environment, thus, the introduction of the real character of public administration requires the analysis of the system of relations with respect to that social environment. The other further element is the circumstance, that in modern societies public administration as to its organisation and functions cannot be distinctly separated from its environment, that is, on the frontiers of public administration we can find several so-called para-

<sup>2</sup> In recent years, primarily in the spirit of the accession of Hungary to the EU, more and more studies were published, which examine various legal institutions from a Hungarian point of view. Let me adduce the following two works: Kecskés, L.: Tézisek az Európai Közösség jogáról és a jogharmonizációról – immár magyar szemmel is (Theses Concerning the Law of the European Community and Legal Harmonisation, by This Time from a Hungarian Point of View). *Jogtudományi Közlöny*, 52 (1997)181; Pap, L.: Az Európai Bíróságról – magyar szemmel (Concerning the European Court from a Hungarian Point of View). *Jogtudományi Közlöny*, 53 (1998) 107.

administrative organs. These para-administrative organisations—also described as “non-administrative organs similar to administrative organs”—carry out public (administrative) activities.

According to the explication above, the basic institutions of public administration are adumbrated as follows:

1. public administration and its social environment,
2. the organisation of public administration,
3. the activities of public administration (functions and duties),
4. organs that constitute the frontiers of public administration and their activities (para-administration),
5. the staff of public administration.

This list constitutes not a random, but instead logical system. It creates a natural, substantive order, which the author properly constructs and forms the structure of the volume. Therefore, the oeuvre of more than 400 pages consists of five great structural parts.

### **Part 1: Public Administration and Its Social Environment**

The substrate formula is given: public administration is always realised in a particular social environment, therefore, the provision of an insight into this environment as a theoretical foundation is reasonable before the detailed introduction of the three elements of public administration. In this process, the author deals with three main issues:

1. Which sciences, from which viewpoint and which methods deal and have dealt with public administration?
2. How does (and has) the relation of public administration to the economy and politics develop(ed)?
3. Does public administration have basic principles, and if so, what are these and what is their significance?

#### *Ad. 1. Sciences concerned with public administration*

Public administration can be defined as a form of the appearance of the state for the majority of people, and as the author remarks, reasonably, it implies the state per se as the organisational and personal framework operating for several thousand years, which has secured the subsistence of human communities via its organisational work. This, according to the rules of formal logic, would entail that the science of public administration also dates back several millenia. More precisely, we could assume that the science of public administration as a

systematic synthesis of knowledge pertaining to public administration, which progressively affects its subject matter, has developed over several millenia.

In fact, however, at least in Europe, the science of public administration as opposed to classical natural sciences emerged relatively late, around the end of the 18<sup>th</sup> and beginning of the 19<sup>th</sup> centuries, that is, the time of the decline of feudal absolutism, which was closely related to the accretion of the property of the monarch and to the bourgeois transformation of society. The work of scientists dealing with public administration for two hundred years is assessed by the author in the following manner:

*A) Scientists dealing with public administration:*

The respective authors study the functions, organisation and the environment of public administration directly, and actually assume that no significant difference obtains between the administration of the public and private sectors. The current framework of this science has evolved as a result of the long and organic development of the following branches:

- a) cameralistics and the science of policing (J. H. Justi, J. Sonnenfels),
- b) theory of public administration (L. Stein),
- c) theory of administration (H. Fayol),
- d) the American theory of public administration (F. Taylor, L. Urwick, L. Gulick, H. A. Simon).

*B) Theorists of legal science dealing with public administration:*

The respective authors have focused not on public administration and its environment, but instead on law pertaining to public administration. More precisely, these authors have studied public administration not directly, but via pertinent law, and consequently, arrived at their conclusions. Thereby, it is understandable that the prerequisite for the emergence of this branch was the evolution of the separate area of law settling basic problems of the organisation, activity of public administration and relation between citizens and public administration, i.e., the law of public administration. It was first in France at the beginning of the 19<sup>th</sup> century that this branch emerged, nevertheless, a German scientist, Otto Mayer played the most prominent role at the turn of the 20<sup>th</sup> century.

*C) Theorists of political science:*

Law regulating public administration only had a role on the Continent. In Anglo-Saxon states, by reason of the different development of the legal system, it was superseded by political science, which was designed to provide theoretical support to the practical administration of state affairs, i.e., governance. Its foundations were laid by W. Wilson.

A common feature of the sciences dealing with public administration mentioned so far is that their prominent field of research is public administration. The same applies to *comparative public administration* as the most powerful branch in our days.<sup>3</sup> That does not obtain with respect to the following sciences (although, their fields of research undoubtedly cover public administration): sociology, psychology, economics geography, etc. As the author also asserts, a further fact is that the mutual interaction of diverse fields has increased in recent decades; research in law and political science intertwines with sociology, research in the science of administration with psychology, etc.

*Ad. 2. The relation of public administration to the economy and politics<sup>4</sup>*

In this chapter, the author starts from the fact that although, public administration has continuously changed, it has retained its essential features and relative autonomy throughout the ages. Its essence has changed, but not dissolved, since it has remained an organisational activity carried out in favour of the realisation of the will of the people. Regarding the changes, both the economy and politics have a decisive role, but undoubtedly, other circumstances, such as historical traditions or the geographical situation of the specific state also influence the formation of public administration.

The author treats the effects of the economy and politics on public administration in separate chapters, while emphasising that economic and political factors do not equally affect the three elements of public administration: its organisation, activity and staff.

*A) The system of relations between the economy and public administration*

In the context of relations between economic factors and *the organisation of public administration*, the author indicates that the concentration of production verifiably led to an increase in the quantity of the duties carried out by public administration and the centralisation of the administration of affairs by the

<sup>3</sup> When I stated above that the oeuvre subject to the current review is a kind of conspectus, I could have adduced the former works of Lajos Lőrincz to substantiate my statement. I didn't do so, since I consider the method in which I draw the reader's attention to the various works and studies in relation to the specific issues more expedient. Well, the author published a separate study concerning the substance of comparative public administration, as well. See: *Összehasonlítás a közigazgatásban (Comparativeness in Public Administration)*. *Magyar Közigazgatás*, 49 (1999) 225.

<sup>4</sup> In this area, the author published a monography in 1981. See: *A közigazgatás kapcsolata a gazdasággal és a politikával (The Relation of Public Administration to the Economy and Politics)*. Budapest, 1981.

state. However, the increase in quantity did not result in the transformation of the quality of the entire organisational system of public administration, as the core of the organisational system has remained unaltered since feudal absolutism. Namely, no substantial changes have occurred in the organisation of the administration of foreign affairs, finance, justice and defence. The situation is different in other areas of public administration, i.e., concerning economic, commercial and cultural affairs, where changes both in quality and quantity have occurred. It is necessary to emphasise changes in quality, since the so-called duty-performing, new types of organs of public administration, can be clearly distinguished from the traditional formalist, inflexible organs of public administration threatening with sanctions and organised in a nationally unified hierarchy, scilicet, from the authority. As the author formulates, “the authority is splendidly structured to perform administration, although inadequate to perform duties in the areas of the economy, culture and social life”. (p. 47) Its consequences are assessed in Part 4 of the volume discussing para-administration.

Changes are also palpable in the context of the relation between economic factors and *the activity (functions) of public administration*. The process of globalisation that ensued in economic life, has obviously and powerfully influenced the functions of public administration, primarily manifesting itself in an increase in the function of the provision of services. An array of public administrative functions and duties have appeared, which had formerly been inconceivable, such as national planning, appraisal and rational utilisation of various resources, financing scientific research, subvention of crucial areas of production by the state, securing the balance of production and consumption, etc.

With regard to the relation between economic factors and *the staff of public administration*, the author sets forth that in the second half of the 19<sup>th</sup> century, the respective staff was recruited from the middle class, in which the disposal of certain property and an educational level far above the average were a priori given. The decisive change ensued following the 1<sup>st</sup> World War, when parallelly with a change in quality, the moderate increase in the number of staff before the turn of the century accelerated, which was closely related to the accrual of public administrative duties. Civil servants were progressively recruited from the lower strata of the middle-class and the standard of education also descended.

#### *B) The system of relations between politics and public administration*

As it is publicly known, the political system is a complex establishment, in which certain elements, i.e., the parties, the state and the political ideology

are not equally momentous. The most significant force is represented by *the political parties*, since within a democratic framework, it is exclusively these organisations having the direct objective of obtaining and retaining state power. The parties with a modern structure emerged in the second half of the 19<sup>th</sup> century, after the basic principles of the establishment of the bourgeois state had been laid down and the institutional safeguards of the division of power had been established. In developed states, two types of party systems have developed and function currently. In the USA and Great-Britain, two-party systems, whereas in other Western-European states, multi-party systems were established, which has apparently affected public administration, as well.

*In states with two-party systems*, the party that wins the elections exercises exclusive (state) power, as if a one-party system prevailed in the specific country. In principle, the legislative and executive powers (public administration) are separated, although in actual fact, both are the organs of the winning party, that is, parliament and government are propelled by the same power.

*In states with multi-party systems*, the classical principles and institutions of the division of power markedly manifest themselves. Parliament has a greater scope of action in comparison with government, in addition, a kind of vertical structure also appears, so far as the coalition parties predetermine, which administrative branches they intend to control.

As a matter of course, the relation between the party and public administration is the most compelling in countries with *one-party systems*, as it was manifest for instance in Hungary before the political transformation.

Besides or beyond the problem of party struggles, the issue of *the relationship between the staff of public administration and parties* is also unavoidable. This issue is analysed in a separate chapter, which departs from the fact that the relation between public administration and the parties is particularly close with regard to their staff. In this respect, the question arises as to what extent parties can influence the staff of public administration so as to attain their objectives. In this respect, three solutions obtain globally. According to the first one, the staff is entirely politicised, that is, the positions in public administration are occupied by members or supporters of the political party in power (prize system). A clear example in this respect is the USA. According to the second solution, the staff is politically neutralised, that is, shielded or protected from any political influence (career structure). As an example, we can mention the United Kingdom before 1945. The third solution represents an in-between form, which combines the two former models, a commonly cited example of which being the system in France.

*Ad. 3. The basic principles of public administration*

According to the author's allusion made among his introductory thoughts, special literature is rather divided concerning the basic principles. Even the question is subject to debate, as to whether public administration has basic principles, and if so, what their significance and functions are.

Nevertheless, the author's standpoint is unequivocal: public administration does have basic principles, and as such, they are indispensable, politically marked scientific constructions. Furthermore, they frame the essence of social expectations with regards to public administration. In this sense, the basic principles are norms, according to which the realisation of the conceptions of political leadership can be measured. The basic principles manifest the desired reality: their roles consist in motivation, reality formation and orientation.

According to the standpoint of the author, which I do not question, two basic principles embody the requirements concerning contemporary public administration as reflected in the experience throughout the history of development of public administration: namely, democratism and the effectiveness of public administration.

*A) The democratism of public administration*

The traditional form of democratism as the rule of the majority is discernible only to a limited extent (through public bodies) in the case of public administration construed as a peculiar system of state organisation exercising public authority. The democratism of public administration implies its limited and controlled nature. Thus, democratism doesn't consist in an internal operative principle of public administration, but *it is the principle of the exercise of power vis-a-vis public administration*. In the ensuing text, the author also sets forth that, although the instruments and manners of the enforcement of the democratism of public administration may be multifarious, they can be classified. A part of them represents the direct safeguards of democratism, while the other part indirectly contributes to the social control of public administration. In the scope of *direct manners*, the author mentions and analyses participation and the openness of a career in public administration as basic principles, whereas, in the scope of *indirect manners*, work in the public interest, subjectedness to law and transparency are mentioned. An exhaustive discussion of these basic principles and requirements exceeds the scope of the present review. Notwithstanding, I must assert that on the one hand, I completely agree with the explication of the author, and on the other hand, the majority of the principles treated by the author were framed as the basic principles of "good governance" in a document of the European Committee as a requirement to be



complied with by the institutions of the European Union and the public administration of member states. According to the European Committee, the basic principles of good public administration are the following: openness, participation, accountability, effectiveness and coherence.<sup>5</sup>

*B) The effectiveness of public administration*

In general, effectiveness implies consideration of the relative statistic deriving from the comparison of the effort made to attain a specific objective with the reached achievement. In the area of public administration, the issue of effectiveness was raised quite late, after the 1<sup>st</sup> World War, by the science of administration. The reasons for that include the monopoly of public administration and its subjectedness to politics.<sup>6</sup> As to public administration, we need to distinguish extraneous and intrinsic effectiveness. Extraneous effectiveness can be measured with respect to society and its norm is satisfaction, which is difficult to measure. Whereas, intrinsic effectiveness is easy to measure, since this is encompassed in the area of the organisation of work.

The author concludes the discussion of the two basic principles of public administration, i.e., democratism and effectiveness by establishing that these principles are closely interrelated. Public administration that is lavish, slow and negligent, cannot be democratic, since it fails to meet the most basic expectation of society. Simultaneously, public administration that lacks democratism cannot be effective, since it excludes the population that it is destined to serve from the administration of affairs, preparation and control.

## **Part 2: The Organisation of Public Administration**

The author treats the issue of organisation, the first component of public administration, in two greater contexts. First, he introduces the results of the pertinent research of various sciences, and he then classifies and treats the system of organisation in a detailed manner, distinguishing the central and local organs of public administration.

<sup>5</sup> See: White Paper on European Governance. The document was issued by the European Committee in June, 2001.

<sup>6</sup> On effectiveness, *see* more amply the following study by the author: A hatékony állam (The Effective State). *Magyar Közigazgatás*, 55 (2005) 449.

*A) Sciences concerning the organisation of public administration*

Formerly, I referred to the fact that sciences dealing with public administration from disparate points of view introduce new aspects of the actually complex system of organisation, activities and staff. This statement is valid not only in general, but also specifically with respect to organisation. What I am referring to is that, concerning the organisation of public administration, the author presents the most important assumptions of political science, legal science and the science of administration and sociology in an exhaustive manner. Let me point out the following ones:

*a) Political science and legal science* describe the organisation of public administration by comparing it to other organs participating in the exercise of state power, thereby, drawing on conclusions as to its features. According to the author, these features are best apprehended through the examination of the decisions of representative organs and the opportunities for the application of coercive measures of the state. The society is interested in the control of this power, i.e., of public administration, therefore, the law must ensure, on the one hand, the subjection of administrative organs to representative organs, and on the other hand, the protection of citizens vis-a-vis the unlawful acts of public administration.

*b) As opposed to both political and legal science, the science of administration* studies the intrinsic features of the organisation of public administration; that is, it lays the emphasis on the system of relations within and among the organs. It recognises two structures considering the development of the organisation of public administration: a vertical and a horizontal structure. The vertical structure derives from the establishment of mediating organs between the centre of government and settlements with dual functions; that is, the mediation and enforcement of central decisions and the collection and transfer of local information. The horizontal structure evolved during a later stage of historical development; that is, at the time of feudal absolutism. It entailed a higher degree of the division of labour, which was initially realised only at the central level via the establishment of the basic types of ministries, such as the ministries of foreign affairs, defence, finance and the interior. At a later stage of development, primarily as a result of detachment from the branch of internal affairs, a sharp increase is noticed in the number of ministries, which resulted in an almost unsolvably difficult coordinational task in the prevailing top organ of public administration.

*c) Sociology* describes public administration as a bureaucratic type of organ by underlining its respective features: written rules, the principles of hierarchy and official trips, and officialism. The author also mentions that the reasonableness of certain tenets of the bureaucracy-model contended by Max Weber was in many

respects challenged by later research. As an example, he refers to the research carried out by Elton Mayo, who proved that, besides the structure set forth under formal rules, an informal structure can also be discerned in the organisation.

*B) The classification of administrative organs*

A wide range of public administrative organs work in all countries, therefore requiring classification of their description and apprehension. This is feasible in numerous manners, depending on the aspect according to which systematisation is accomplished. The author selected the *area of activity* of the administrative organ as a criterion for classification and accordingly, distinguished central and local organs of public administration.

Notwithstanding, as the author correctly indicates, *central organs* do not represent a homogenous organisational system. Therefore, he firstly presents a typology of central organs, and then introduces ministries, national supreme authorities, the government and its organs in an exhaustive manner. Regarding the *typology*, we need to point out that two models obtain with respect to the executive function in the world: the dualist and the monist models. According to the dualist model, both the head of state and the prime minister are responsible for execution, whereas, according to the monist model, the prime minister and the executive organisation clustering round him exclusively bear the responsibility.

The author dedicates a separate chapter to the introduction of *ministries and national supreme authorities*, which is justified by the obvious significance of these public administrative organs. In this scope, the author classifies ministries and distinguishes between stable and changing ministries, ministries directly related to the activity of government and ministries performing execution, and he then introduces various structures in ministries, such as the classical and the Swedish model. Furthermore, he discusses the issue of their direction, i.e., the organs of shaping politics and the organs of execution in ministries. Even his adumbrative account of these exceeds the currently available scope. Nevertheless, we should note the fact that the author treats these issues not only in general, but also devotes focus to Hungary, whilst not neglecting the historical approach.

Also reasonably, the author devotes a separate chapter to the *government and its organs*, specifying various kinds of governments, structures and activities of governments. His methodology resembles the one applied in the case of ministries, and as such, he proceeds from the general towards the particular through the apprising of various governmental systems, as well as Hungarian solutions using a historical and legal historical approach.

Regarding the *local organs of public administration*, the author starts the discussion with the clarification of principles and concepts. He considers local administration in a kind of theoretical work on the subject, and then renders his interpretation of the concepts of centralisation, deconcentration (the establishment of local organs of central administration) and decentralisation. Finally, with a focus on Hungary, the author discusses the issues of both deconcentration (establishment of the local organs of central administration) and local governments in separate sub-chapters.<sup>7</sup>

### **Part 3: The Functions and Duties of Public Administration**

Public administration is not only an organisational system structured according to specific principles, but it is also an organisation performing specific functions and duties. Functions and duties, as the author sets forth in the introduction, are terms with different implications, although, they are often treated as synonyms. Function is a more general and broader term; it defines the essence of the social designation of the organ. Duty, however, reflects comparatively more specific tasks, the performance of which leading to the accomplishment of function. According to the method applied formerly, functions and duties of public administration are discussed with respect to the fields of political science, legal science and the science of administration and sociology, with the author drawing on an enormous apparatus of special literature. The essence of his statements can be summarised as follows:

#### *A) Regarding the approaches of political and legal sciences*

According to the classical definition, the function of public administration consists in its *execution*. In the system operating with the division of labour among various types of state organs, the function of representative organs is legislation, the function of courts is administration of justice, whereas, the function of public administrative organs is the enforcement of law; that is, realisation of decisions made by political organs via the implementation or performance of three duties with specific content, i.e., law-making, application of the law and organisation.

<sup>7</sup> The author examined these issues in various studies formerly. Among these, I'll highlight the following one: *Magyar közigazgatás: dilemmák és perspektíva* (Public Administration in Hungary: Dilemmas and a Perspective). Budapest, 1988.

*B) The science of administration concerning the functions of public administration*

The science of administration focuses on organisation as a specific activity. As Fayol and Gulick demonstrated, organisation is not a homogenous human activity, since it has *disparate elements*. According to Fayol, these are planning, commanding, coordination and supervision, whereas, according to Gulick these include planning, organisation, staff matters, direction, coordination, reporting and budgeting. The latter viewpoint gained ground in special literature as POSDCORB, which equals the joined initials of the elements. Having worked through the achievements of recent special literature, the author analyses the most important elements of organisation, i.e., planning, decision-making and supervision, in a detailed manner.

*C) The functions of public administration according to the sociological approach*

The majority of authors enforcing a sociological approach, e.g., Max Weber and Michael Crozier, agree as to the distinction between standard and variable functions of public administration. *Standard functions* prominently include these of protection and meeting demands. *Variable functions* cannot be so distinctly separated, since their peculiarity is that they vary according to time and space. The author mentions the public administrative system of ancient Egypt as an instance, the decisive functions of which included planning and establishment of the watering system and the organisation of water management.

Regarding the functions of public administration, sociology has also elaborated on a further categorisation. Accordingly, public administration has dual functions: integration and allocation. Via the *integrative function*, public administration attempts to channel the extremely multifarious interests manifest in society towards the attainment of objectives declared to be in national, local or social interest. Without integration, the society would be decomposed to its elements and social peace would become vulnerable. Alternatively, the essence of the *allocative function* is the allocation of social resources to social activities and institutions for the purpose of attaining the objective of integration.

#### **Part 4: Para-Administration**

The word “para” of Greek origin is used as the anterior constituent of compounds and denotes the similarity (to something) of the term connected to it; for instance, para-military. The study of public administration from multiple viewpoints as presented above has demonstrated that, as I pointed out in the introduction,

public administration cannot be distinctly separated from its social environment, since on its frontiers, as the author puts it, we can find organs that attend to public (administrative) duties, which are not actually public administrative organs, but merely similar to them. These are para-administrative organs; the number and significance of which having increased from the second half of the 20<sup>th</sup> century.

*A) The manners in which public duties are performed*

Before the discussion of these manners, the author departs from the statement that one of the principal duties of public administration is the organisation of various public services, such as water supply, education, health care, energy supply, construction of public roads, etc. The range of these services has extended throughout history with the express demand of the members of societies. This has led to a situation, which the author describes as follows: “we justifiably designate the public administration in our age as a provider of services or an organiser of services”. (p. 242) *Public administration performs its duty to provide services in three main manners. Firstly, it attends to its duties itself* either via its specific, bureaucratically structured organs, on which public authority is conferred, or via its official apparatus. This range includes duties which manifest that public administration is a public authority, e.g., keeping basic records, issuance of certificates and documents, licensing and the application of state sanctions. Secondly, for the purpose of performance of duties, *it establishes institutions, so-called public institutions*, on which it confers the duty of the provision of public services. Thirdly, *it transfers the performance of a duty to an organ in the private sector.*

The common feature of public duties belonging to the second and third categories is that these are economic and material services, and therefore in these cases public administration undertakes a different role from the one of a public authority in the first category. The classical organs of public administration do not have either the power or the preparedness to provide economic services, although they are responsible for their accomplishment.

*B) Factors determining the manners in which public duties are performed*

It is a fact that in all countries of the world, each of the three manners in which services are provided is applied, although their relative proportions are quite variable. According to the author, the selection of each of the solutions in a specific state is determined by the geographical position of the country, prevailing political-ideological differences and fashionable trends.

So far as *the geographical position of a country* and the prevailing political-ideological differences are concerned, it is worth mentioning the USA, where

liberalism determines both the economy and politics. Its consequence is that, in the area of the provision of public services, public property is restricted to the narrowest scope: public services are provided by both organs founded on private property and private associations, while state control and supervision are maintained. In Europe, however, the vehemence to transfer public services to private undertakings has been far more contained.

*The prevailing political-ideological differences* also determine the manner in which public duties are performed, since historical experience demonstrates that left-wing (socialist, social democratic) parties appreciate public property more so than liberal parties.

Finally, *fashionable trends* have an unquestionable role in the proportions of the respective manners in which public duties are performed. In Europe, for instance, following the 2<sup>nd</sup> World War, the efficient provision of public services seemed to be feasible via nationalisation, whereas, currently it is carried out through privatisation.

#### *C) Para-administrative organs in Hungary*

Under effective law in Hungary, the following organs can be or are considered to be non-public-administrative organs that provide public services: public works, public institutions, public bodies and public foundations. The author treats these para-administrative organs separately, denoting their features and referring to effective pertinent legal regulations.

#### *D) Public services provided by private organs*

The chapter on para-administrative organs is concluded with a sub-chapter discussing the performance of public services by private organs. In this context, the author underlines that, in a broader sense, practically all human activities may be considered public services: bread-supply, manufacture of clothing, construction of roads, building of flats, etc. These duties are generally performed by organs of private property, according to the rules of the private sector and under specific control by the state (public administration). The relation of public administration to these private organs is special, since supervision, and parallelly, interference by the state, is facilitated. This is especially valid in those cases, whereby work in the public interest is carried out by private organs on the basis of agreements concluded with public administrative organs for a specific period. In this scope, the author lays emphasis on concession agreements and agreements concerning public services.

### Part 5: The Staff of Public Administration

Regarding significance, the most extensive part of the work under survey discusses the issue of staff and let me add, not without reason. I must also admit that staff is the most important constitutive element of public administration. We can form the organisational structure of the public administration of a state most optimally and we can provide for the most auspicious working conditions, but nevertheless, if there is no availability of adequately trained and motivated staff of officials adjusted to the given function and duty, public administration will be incapable of complying with its social designation.

The author considers the following issues with respect to the staff of public administration: 1. the number and composition of staff, 2. systems of human resource policy, 3. selection in public administration, 4. planned and predictable promotion–career structure, 5. rights and duties of civil servants, 6. the system of responsibility of civil servants, and 7. (further) training of civil servants.

Even a brief introduction of each of these chapters would overreach the narrow scope of the present review. Therefore, in the ensuing text I will rather abide by *pointing out the statements and conclusions of the author that I consider most important*:

- The number of the staff of public administration is determined by several factors (such as the population size and the extension of the territory of the state), which are deemed equally important, as any instance can be used to demonstrate the “powerlessness” of a specific system. In this respect, a further problem is that we can merely assume the comparability of specific categories, which in fact may not correspond. For instance, the content of the terms “civil servant” and “state employee” in Hungary can be quite different in other states of the world.

- The number of employees in public administration and its relative proportion to the number of all employees has increased since the 1880s, which is closely related to the progressively powerful interference by the state, including the sharp growth of the duties of the state (public administration). This tendency is reflected in Hungary as well, although, there have been obvious fluctuations in the recent century.

- The number of staff in public administration per se is not decisive, since we must also observe the composition of the staff with respect to the relative educational level, age, sex and even proportion of politicians and experts. It is worth noting that, in Hungary, the records pertaining to civil servants kept by the Ministry of the Interior is quite expedient.

- Public administration is the most enormous field of work in all countries considering that it employs the highest number of employees. Therefore, the



concept of how employees are taken on and how their situation shapes during work should not be treated indifferently. In this respect, two notably great models of human resource policy systems have evolved; on the one hand, the open system, which conforms to the solutions of the business world, and on the other hand, the closed system, which applies military conceptions in the civil sector; although, the open and closed systems are obviously not maintained in their pure forms. In fact, the experience is that open systems tend to close and closed systems tend to open sooner or later.

– In view of prevalent tendencies, Hungary invariably converted to the closed system, which was regarded as a model (see, Act 23 of 1992 on the Legal Status of Civil Servants) at a time when it started to recede in the majority of developed states.

– The first and most important element of human resource policy is selection.<sup>8</sup> It implies a process targeting the filling of a position and consists of two phases: recruiting and actual selection. During selection, the so-called general employment criteria, such as age, citizenship, moral criteria, state of health and education, are applied, while the so-called social preferences, namely, the principle of representation, affirmative action and political preferences, are also enforced.

– According to the closed system of human resource policy, life-long service is the most favoured solution. In that case, the major stages of the life-course need to be planned, and the respective positions and salaries need to be assigned. Therefore, all those who are employed in the closed system pursue careers. In the modern world, three types of career-structures have evolved. The first projects a continuously rising career from entering into office to retirement. The second, occurs whereby the employee reaches the peak of his/her career, when the organisation can take the most advantage of his/her work (between the ages of 40–50). The career trajectory here reaches an accelerating, followed by a declining phase, and as such advancement is not continuous. The third career trajectory is rarely applied in the public sector, but rather in the private sector. According to this solution, the employee should reach the peak of his/her career, when he/she has the most up-to-date knowledge with some practical experience. This characterises the period from the age of 30 to 35.

– The author considers each of the obligations and rights of civil servants and stresses that, under effective Hungarian law, we cannot find the specification of these under a separate chapter. With respect to the scope of obligations, he

<sup>8</sup> See: more amply the following study by the author: *Kiválasztás a közigazgatásban I. és II.* (Selection in Public Administration Parts 1 and 2). *Magyar Közigazgatás*, 50 (2000) 321, 449.

discusses the following: fulfilment of duties in a public administrative organ, compliance with directions, retaining information and secrets, exemplary behaviour, lawful and honest work and loyalty. The author then distinguishes three scopes of rights. Firstly, the rights that derive from employment, which are due to all employees, such as the right to payment, holidays and various benefits. Secondly, certain rights that are derived from the closed system of career in public administration, such as the right to promotion and employment security. Thirdly, civil servants have political rights, such as freedom of thought, conscience and religion, and rights to trade-unionism and strikes.

– With respect to the training of experts in public administration, the author poses basic questions and subsequently answers them. Just to mention some of these: When should the training take place? (before entering office or during employment?) Should the training involve generalists, who are familiar with all fields, or exclusively specialists, who are employable only in specific fields, and in this respect, what should the subject material of the training be? Who should be involved in teaching? (only theoretical experts or practical experts, as well?)

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After the introduction of the oeuvre titled “The Basic Institutions of Public Administration”, the reviewer has one task left to attend to; to consider the essence of the questions above and give an opinion reflected in a recommendation concerning the excellently systematic and brilliant work exhibiting an enormous volume of knowledge. My recommendation is that it should be examined by all people concerned with, interested in or wishing to acquire knowledge concerning public administration. Since we can have access to all that is worth knowing about this magnificently complex organisational system, activity and staff, thanks to the author and his thorough grounding, knowledge and entertaining style, all we must “merely” do is read his book. Enjoy perusing!

*András Torma*