

**JOINT INTERNATIONAL
CONFERENCES**

10TH EDITION
EUROPEAN INTEGRATION
REALITIES AND PERSPECTIVES

5TH EDITION
THE GLOBAL ADVANCEMENT
OF UNIVERSITIES AND COLLEGES

**Processes of Legislative Adaptation Undertaken by the Romanian Public
Administration in the Context of the Global Economic Crisis**

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Abstract: As the economic crisis is further building the administrative burden of the Romanian public administration, the legislation is constantly reshaped in order to counteract the obstacles the crisis imposes. In order to counteract the effects of the economic crisis, the Romanian public administration has undergone a series of reforms that aimed at administrative simplification, normative simplification and reducing the public expenditures. The goal of the article is to uncover and analyze the courses of action proclaimed or adopted by Romania in the light of legislative simplification. Based on relevant literature, the parameters of empiric analysis are identified and used to acknowledge the types of measures adopted. These elements of change are depicted from relevant official documents of political or juridical power. The conclusion of the article represents an assessment of the legislative measures undertaken and points out the general action plan of the Romanian public administration.

Keywords: administrative burden, legislative simplification, new public management, reform

1. Introduction

The political, economic, social and technological challenges of the present impose for the public sector organizations to be flexible to changes, drawing up the answers that public sector consumers expect to receive. Thus the management of change in public administration implies a series of processes of legislative and institutional adaptation. The process of legislative adaptation of the public administration aims at reshaping the legislation in accordance with both the external and the internal influences at work.

The Romanian public administration provides answers to the challenges generated by the global economic crisis, reshaping its legislation based on these influences. From the very beginning of the economic crisis, the country has adopted a series of measures to counter its effects and to promote transparency and predictability.

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2. The Change and the Management of Change in the Public Administration

The public administration system is a structure that is based on social relations built between the individuals who elaborate the public administration, which is shaped under close observation of the public law regime, similar to all public organizations (Matei, 2003). Public administration systems undergo reform (change) processes, aiming at providing answers to both internal and external challenges. Osborne and Brown view change as the progressive development or improvement of the services that an organization offers, in response to the challenges of its environment. Such challenges are changes the global economy, the emergence of the new public management (NPM) and new management techniques that apply to the public sector, demographic changes and also the growing expectations of the civil society from the public sector (Osborne & Brown, 2008).

Elizabeth McMillan examines the change processes of the public sector and draws the conclusion that there are five types of changes (Elizabeth McMillan, 2008):

1. First degree change – a superficial change which does not affect culture or tasks;
2. Second degree change – a sector-level change
3. In-depth change (the transformation) – a ‘radical’ change generated by the implementation of changes throughout the entire organization and by modifying its structure
4. Closed change – a predictable and necessary process within an organization
5. Open change – an innovative process (which has not been employed by other managers), which can trigger any of the above-mentioned changes.

Pollitt and Bouckaert consider that, beginning with the early 90s, the coordination guidelines of public administration system reforms have been coagulated under the notion of new public management (Pollitt & Bouckaert, 2011). The authors evaluate the new public management through its specific reforms, which aim at empowering public sector managers with greater decision-making autonomy, promoting flexibility and innovation in public administration, setting priorities in public sector economies, reducing the task spectrum of the executive power, decentralization of management processes, augmenting efficiency, reducing expenses, and so on (Pollitt & Bouckaert, 2004). In the context of change processes in the public sector, Professor Lucica Matei scrutinizes the presence of such processes at the organization level, the human resources level, the result evaluation level and the financing level (Matei, 2006).

Therefore, the relevant literature offers the framework of empirical analyses of the main legislative adaptation measures that the Romanian public sector has undergone due to the economic crisis. The following section of this article underlines these change processes and analyses them based on the criteria set up by the relevant literature in the field of change management in the public sector (as viewed by Lucica Matei, Elizabeth McMillan or Pollitt and Bouckaert).

3. Legislative Measures of Adopted

In the timeframe set by the global economic crisis, Romania has undergone a series of normative reforms in order to achieve a better legislative simplification. These reforms have been proclaimed by political documents or by new legal acts, and aim at reshaping both normative text, as well as regulatory techniques.

Concerning organizational measures (those targeting the coordination processes of the public administration), the most notable are the political decision to reduce the number of ministries, as well as the number of secretaries of state. Such decisions can be classified as in-depth changes designed to enhance the efficiency of the executive power.

Reducing and merging government agencies, an adaptation process which also implies recalibrating competencies in the public administration, is a process which can be analyzed both at a sectorial level (merging the agencies with an activity field under the same public policy), and at a general level (as a process of adapting the public administration as a whole). Due to these modifications, structural reforms or privatizations of state companies have been done. The most important such measures are connected to the Romanian Post Office, Hidroelectrica and Oltchim.

The Strategy for a Better Regulation at the Level of Central Public Administration 2008-2013 represents a political document issued by the Boc Cabinet and aimed at setting the background for administrative and legislative simplification of the Romanian public sector.

As the document describes the level of openness to external models has increased in the Romanian public administration and projects such as MATRA, funded by the Netherlands were implemented. MATRA focused on standardization regarding costs in the private sector. The outcome of this project consists in adopting Government Decision 1425/2006 establishing the Methodology of Applying Law 319/2006 regarding labor security and health. Such legal documents not only bring greater clarity to laws, but also increase predictability, aiding to better simplifying the normative basis. These kind of sectorial-level changes argument the efficiency of the Romanian legislation.

When it comes to in-depth organizational changes, the executive power increased efficiency of the public sector in supporting the activity of citizens or companies by adopting new rules that simplify the normative basis, regulating an electronic system of private company registration, faster procedures for real estate transactions and building authorizations, faster procedures for citizens through personal statements, faster foreclosure procedures, better transparency regarding the activity in the private sector, or simpler procedures in the case of bankruptcy or insolvency.

With respect to the human resource in the public administration, the governing programs during the economic crisis have expressed objectives that are specific to NPM implementation processes. An example of these objectives is the depoliticization of the public sector. Through the chapter named 'The Commitment for the good governance of Romania', the 2009 – 2012 government program aimed at not involving politics in matters of Justice, making this a main objective by means of which it was believed that a good governance was going to be achieved. The 'Human resources' chapter obliged the executive to take clear steps towards the professionalization and depoliticization of the management career in education. These can be identified as closed change measures aiming at an in-depth change of the Romanian public sector.

The Boc Cabinet also adopted Emergency Government Ordinance no. 37/2009 on some measures aimed to improve public administration activities, to reform the recruiting process for public functions. In spite of it, under the pressure of the economic recession, Emergency Government Ordinance no. 34/2009 on the 2009 budget rectification and regulation of financial and fiscal measures was formulated, which states that 'exam based employment in public institutions is suspended'. These measures can be viewed as first degree changes, which do not affect the culture, however they can generate a reduction of public expenditure.

These measures were implemented following the political impulse set by *The Strategy for a Better Regulation at the Level of Central Public Administration 2008-2013*, in which the Government

proclaimed under section 7.5 that the national legislation shall be simplified through 1) the reduction of the number of legal documents (through codification and repeals of similar regulations); 2) the reclamation of active norms (by repealing desuete norms); 3) increasing legislative stability (by counteracting excessive regulations and legal modifications); 4) guaranteeing unicity and unity of regulations (by codification); 5) providing the background to better understanding and applying of legal acts; 6) providing full access to legal documents (increased transparency); 7) conserving traditional Romanian normative values.

With regards to budgetary processes, through EGO 26/2012, the public protocol spending have been diminished; such expenditures were generated by consultancy services, if they could be sustained by the state institutions, by travels abroad, and so on. These measures are specific to new public management implementation processes and their objective is to make public spending efficient.

Law 118/2010 adopted a set of austerity measures which resulted in a profound change regarding careers in the public administration, as well as regarding public spending planning. These measures meant salary reductions and job perks elimination in the case of some civil servants with incomes derived from the state budget.

Regarding the measures to stimulate the business environment, Emergency Government Ordinance no. 39/2010 has diminished sanctions for the economic agents that do not respect their fiscal obligations. Moreover, the central budget has been used to sustain local authorities to pay their financial obligations towards the private suppliers of goods and services.

Furthermore, through the Emergency Government Ordinance no.28/2009 on the regulation of certain social protection, fiscal pressure has been relieved for some categories of economic agents. EGO no. 13/2010 regulating certain measures to stimulate the creation of new jobs and to reduce unemployment in 2010 was also adopted, as a vehicle of increasing the efficiency of the public sector in the fight against the unwanted effects of the crisis.

In support of these courses of action, the codification and unification process, a vital instrument for administrative simplification, is sustained by new unified regulations such as Law 284/2010 regarding the standards of wages for the personnel sustained by public funds, Law 263/2010 regarding pensions, Law 287/2009 regarding a unified Civil Code, Law 85/2014 regarding insolvency, etc.

The Ponta Cabinet traces similar objectives and proclaims by *The Strategy for a Better Regulation 2014-2020* that the legislation has to undergo further reforms in order to achieve a profound simplification. This strategy proclaims three steps in achieving such a goal: 1) Establish an inventory of the existing legislation; 2) Establish priorities of legislative simplification and set up methods of action; 3) Implementing the methods and courses of actions set up with the aid of instruments such as republication, repealing parallel norms, codification. The priorities will be set up based on the frequency of applications of norms, the economic impact, the regulatory level, number of reforms suffered by the legal document, and the level of difficulty in applying the norms. Furthermore, a new legislative project has undergone aiming at establishing a new fiscal code, proclaiming a series of innovative measures in assisting the private sector in counteracting the effects of the economic crisis.

4. Conclusion

To conclude, in time of the economic crisis, several documents with a political foundation have set the courses of action aiming at legislative simplification in order to sustain the overcoming of obstacles generated by the economic crisis and the continuation of the implementation processes of the new public management reform. The outcome consists of new legal documents adopted in order to assist codification, repeal parallel regulations and desuete norms, and counteract excessive regulations and increase clarity and predictability.

These processes of legislative simplifications are shaped as reforms that focus mainly on sector-level change rather than in-depth changes. As well as this, these reforms can be considered elements of closed change, as they are predictable and necessary. However, political documents and normative projects highlight the possibility of adopting in-depth open change actions in the near future.

Regarding the implementation of the new public management these reforms have effects at the organization level, the human resources level, the result evaluation level and the financing level, demonstrating the flexibility of the Romanian public administration, the capability to priorities action plans and to reduce the spectrum of executive power, as well as the impulse to reduce public expenditure and increase the efficiency of the governmental decisions.

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