

# BULLETIN

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## Who is opposing local autonomy?

Decentralization and local autonomy are basic principles for an efficient local government. The European Charter of Local Self-Government, ratified by Moldova in 1997, provides that local authorities are part of the foundation of any democratic regime. Through local government, citizens have the most direct means to participate to public affairs.

In post-communist countries, the will of political leaders, public support and good human resources have been decisive factors in decentralization reforms. Decentralization is the result of conscious decisions and negotiated compromises. It involves legislative and political changes. Juridical and institutional changes are an intrinsic part of social evolution and are directly influenced by various actors' behavior.

## **Short glorious history**

Attempts to reform local government have occurred right after the creation of the state of the Republic of Moldova. Unfortunately, the numerous legislative changes made at the beginning of transition have not ensured a genuine local autonomy. Moreover, tendencies to centralize and subordinate local administration to national government have increased. The financial system - similar to a *matrioska* doll – in which the budgets of mayoralties depend on transfers from rayons and the rayon budgets depend on transfers from the national government, is still in effect. In 1994, an influential political actor has boycotted local elections to express their protest against this situation. The mayor of Chisinau was then appointed by presidential decree, declared unconstitutional... after five years.

In 1999, a territorial-administrative reform has been made. The new system began to function only in 2001, the year when the communist party came to power. In 2003, at the moment of general local elections the red government has reintroduced the rayon system and, contrarily to legislation, has created approximately two hundred more mayoralties. The experts of civil society have estimated that this antireform has cost almost 1 billion lei (!). At the end of 2006, after having declared that they were pro-European, the communists have approved important laws, including the law on administrative decentralization. But the mechanism of funding applied for mayoralties has not changed and these laws remained only on paper.

After the parliamentary elections of July 2009 and November 2010, decentralization and local autonomy have become a priority to the Government of the Republic of Moldova. Political efforts and human capital are necessary for a complex and profound reform, covering all social and economic spheres. Having the support of the development partners, the Government has realized, up to now, two important stages of the reform – the creation of institutions and the conceptualization. A Parity Commission and sectoral groups are working, since 2010, making a real platform for the discussion of existing problems. A special Commission for decentralization problems exists within the Parliament, promoting an appropriate legal framework. The National Decentralization Strategy was adopted in 2012, after a large process of participation and consultation of all the stakeholders from local and central public administration, civil society and the academic environment. The time has come to take action.

#### An anarchist union

The creation of the Congress of Local Authorities of Moldova (CLAM) was good news to many people. Until 2010, the associations of mayors were established only by political criteria and their activity was limited to group or party interests. CLAM was founded as association of local public administrations; the decision to adhere to the association is taken by the local council. Moreover, CLAM has managed to attract various existing associations or newly created ones. Having over 400 members, CLAM has become an organization which is representative for local authorities and is a serious partner in the relationship with the government. That is why so many donors have offered assistance to enhance the capacity of the Congress.

But if we took a look at actions which the executive of this organization takes and their anti-government rhetoric, we would say that CLAM may be and opposition structure or an union whose mission is to always criticize all of the government's reforms in local administration.

CLAM has access to national and international institutions (like the presidency; they also form the majority in the Parity Commission and in Moldova's delegation to the Congress of Local and Regional Authorities), where they have been expressing their dissatisfaction towards the reforms made in Moldova and the need to increase the salaries of elected officials. Thus, due to CLAM's resistance, the approval of the National Decentralization Strategy has been delayed by almost a year.

At the last meeting of the Parity Commission, CLAM has opposed the approval of the methodology for the assessment of local governments' administrative capacity, considering that mayors will have to take baccalaureate examination. CLAM has publicly declared that the cooperation format established between the Parity Commission and the government is not efficient and meets monthly with the prime-minister. We mention that these actions do not belong to mayors, but to members of the CLAM executive, which have anarchist views and no experience in local administration.

The CLAM management should review their decisions and communication style, as their hiring procedures for the technical experts.

## A headless capital

Another opponent of the decentralization reform is the mayor of the capital. We got used to his declarations and groundless arguments about the government. We don't know the price we could pay, after his statement according to which he "will put his head on a tree stump if the decentralization succeeds" or that the new system of intergovernmental financial relations, promoted by the government, will cause a prejudice of 700 million lei to the municipal budget, which is false. Supported by another young and restless liberal young man, ex-mayor, currently struggling against pedophiles and whose main concern is the "castration" of his party colleagues, the young and clumsy mayor never tires to mislead his electors and foreign officials that, supposedly, Chisinau is already ready to join the European Union, but the rest of the country does not allow it; or that the trolleybuses made by RTE are competitive and could be exported abroad etc. But is very easy to see the readiness of Chisinau for European integration. Driving on the its street, taking a minibus, going to the market or asking a document from the mayoralty suffice. The Baltic experts who have made reform projects for Chisinau have mentioned that such deplorable situation never existed in their countries, not even in the Soviet period.

The decentralization reforms supported by the government are thought for the entire country. Some policies could affect the privileged situation of the capital, but it doesn't mean that the reform should not be implemented. For instance, the new system of local public finance, promoted by the government and coordinated with LPA, increases local autonomy and is considered revolutionary. This system will bring immediate benefits, until 2014, for 90% of localities and 80% of citizens. Chisinau, too, could benefit, but it should also use its own resources more efficiently. I promise to come back to the technical part of this subject, in another article.

## The extreme pressure of autonomies

Gagauzia is another actor not understanding the benefits of decentralization. The government has taken into consideration the specificity of this autonomy and has offered them special conditions, including fiscal facilities. Gagauzia is the unique subject in local administration whose budget entirely receives the VAT. However, its administration opposes constantly the idea of direct relations between their mayoralties and the Ministry of Finance. Although the system is transparent and its formula has two variables – population and surface of localities – Comrat insists to make these transfers by itself. Its leaders invoke "the right of nations to self-determination" and the "ethnical non-discrimination", but they are not bothered by the violation of other principles, also very important and stipulated by the European Charter of Local Self-Government, ratified by Moldova more that 15 years ago. The direct interference of Comrat - in the internal affairs of mayoralties, in their personnel policy, in the decisions of the local council - is a reminiscence of the Soviet administration system.

I am fully aware that the critical remarks of this article may be disturbing to some and may be followed by various reactions. But we must remember that the objective of decentralization is to provide qualitative and accessible services to all the citizens.

When discussing decentralization, we must consider not only the transfer of competences and financial resources, but also the transfer of responsibility for public duties of a local character. To achieve this, we need modern and strong institutions.

Mihai Roșcovan, PhD in Economics