

THE DEVELOPMENT OF THE HUNGARIAN TERRITORIAL STATE ADMINISTRATION FROM THE TRANSFORMATION UNTIL THE PRESENT DAY

INTRODUCTION

The author of the essay is a first-year Ph.D. student at the *Faculty of Law* in the *University of Debrecen*. His supervisor is Dr. István Balázs, head of the aforesaid Faculty's *Department of Administrative Law*. His current research topic is the regulation of the territorial state representatives and administrative organs in Europe and Hungary. The goal of the paper is to summarize the results of this aforesaid research achieved up to this point. To be able to do this, he intends, on the one hand, to briefly describe his own conclusions regarding the Hungarian territorial state administration, and on the other hand, to give an overall picture on the major aspects of the development of the Hungarian mid-level public administration.

I. THE EFFECTS OF TRANSFORMATION ON THE HUNGARIAN SYSTEM OF PUBLIC ADMINISTRATION

1. The Inception of a Partitioned Public Administration

As is well-known, the Transformation in the former Post-socialist countries resulted in a set of deep changes that affected almost every aspect of life – and the structure of national administration was no exception to that. The change of the administrative system was however not just the consequence of a successful alteration, but also a prerequisite at the same time. The monolithic character of the former „soviet-administration system” required a penetrating intervention; thus the executive sector had to be reorganized on a new basis.

By the end of this aforesaid intervention, the unified system of socialist state administration has been replaced with a modern, partitioned public administration. The result of this was that the formerly homogeneous territorial state administration became heterogeneous. Ever since its birth, the dominant segment of this administrative system has been the network of local governments, especially township governments. Since the main characteristics of the current Hungarian public administration are determined primarily by these elements, it is more than advised to start my discussion from the Transformation of 1989-1990.

Even nowadays, it is generally stated that the change in public administration has been an overhasty, ad hoc procedure. This is however a misconception.¹ Undoubtedly, the transformation into democracy required rapid and far-reaching provisions – steps which had to be carried out in a limited amount of time. It is partly because of this that the creation of the new public administrative system has been equally affected both by conscious planning and haphazard development. This two-threaded process has been realized then on a path forced by both outward expectations and inner demands.

If we take the scientific life as our starting point, we can already establish that the atmosphere at the end of the 1980s was unrestrictive to those attempts of scientific research that aimed to examine the “outward world” (i.e. the Western democracies). However, instead of the possible improvements on state administration, most of the “intellectual workshops” of the era were interested in the research of the self-governing bodies of public administration. Consequently, during Transformation, the experts of the field agreed that the sole reformation of the soviets is not enough for the full-scale establishment of a democratic public administration; to be able to lay down the foundations of a new administrative system, the basics of the old had to be liquidated: in other words, the soviets had to disappear.

It is noteworthy that while the current form of public administration in the Western states has been the result of a relatively long process of inner development, in Hungary it took place in the early 90s in a relatively short period of time along a set of inevitable lines of force. In other words, its inception was not a fully natural process, but was not without any antecedents either. The aforesaid conscious planning is just reinforced by Chapter X. of the *Annual Government Programme of 1990*, which put on record that public administration is made up of two sectors: self-government and state administration. However, where self-government is not applicable, a well-organized service of state administration must be created which would always be out of the political sphere (*see Attachment 1 for more details*).

2. The Main Properties of Territorial State Administration after Transformation

One of the reasons behind the special development of territorial state administration is the fact that it has received significantly less attention than the network of self-governments created at the time. This is clearly reinforced by the fact that it has no constitutional regulation, and no

¹ BALÁZS, István: A közigazgatás átalakítása Közép- és Kelet-Európában (A magyar nemzeti jelentés kiegészítése – 1993) Közigazgatási Füzetek 13. Alternatív gondolatok a közigazgatásról, dereguláció, p. 65.

proper legal representation. During Transformation, territorial state administration has been drifted to the margins of conversional processes, and was brought in the centre of interest only in the middle of the 90s.²

This “abandonment” of territorial state administration can be explained with the simple fact that the establishment of the network of self-governments has absorbed almost all the attention and “workforce”. However, this resulted in a set of serious consequences on the executive level of state administration – consequences that we still experience. What we are talking about is basically the disadvantage of Transformation: a substantial displacement within the network of self-governments, caused by a heavily fragmented model of self-governing, which theoretically consists of two levels, but in reality, county self-governments became insignificant.

This aforesaid displacement however affected not just the bodies of self-government. As a matter of fact, it proved to be also the starting point for the special “evolution” of state administration. With the rise of the municipal self-governments and the fall of the counties, a vacuum has come to existence in the middle level, as several public tasks have been (unintentionally) left behind, which remained “latent” as none of the legal successors considered them to be part of their own sphere of authority.³ Basically this phenomenon was the primary inspiration for the various ministries when they decided to establish their own organizational background. It was however further reinforced by the fact that the portfolios did not have enough confidence in the notaries to let them carry out the tasks of state administration – so they created their own de-concentrated county-bodies instead.

In absence of a unified governmental control, these sectors however became mobile; thus a significant level of divergence started to appear in their utilized techniques. The result of this was the formation of a territorial state administrative subsystem which was clearly overgrown in its organization and clearly differentiated in its solutions used. Furthermore, since this process was out of the decision-makers’ “line of sight”, it followed almost completely the principles of evolution, ignoring the level of consciousness which characterized the estab-

² BUJDOSÓ, Sándor: Tizenöt bekezdés a területi államigazgatás 15 évéről (announcement), Magyar Közigazgatás, 2006. (vol. 56, issue 2), pp. 65-66.

³ IVANCSICS, Imre – VIRÁG, Rudolf: Javaslat a jelenleg működő területi államigazgatási szervek szervezeti átalakítására, feladat- és hatáskör felülvizsgálatára, A területi államigazgatás reformja, MKI, Bp., 2006. p. 54.

lishment of the network of self-governments. It is clear-cut then, that the reform of state administration was a task which was never featured explicitly in the limelight.⁴

II. THE MAIN CHARACTERISTICS OF HUNGARIAN TERRITORIAL STATE ADMINISTRATION

1. The Organizing Principles of Mid-level State Administration

Although deconcentration (the basic organizing principle of territorial state administration) is not a new concept, it nevertheless still failed to achieve a definitive designation within the scientific community. Even its various theoretical standpoints themselves substantially differ from each other. While Zoltán Magyary infers deconcentration from decentralization, István Weis considers these two concepts the two possible forms of dispersion – phenomena, which both act against centralization. Consequently, it can be ascertained that besides decentralization, deconcentration is also a counter-pole of centralization – though it is not equal to decentralization.

Ilona Pálné Kovács argues that deconcentration is basically the retention of the various tasks and authorities in state administration by assigning them to hierarchically subordinated organs. Contrary to this, Imre Ivancsics states that with the multiplication of deconcentrated administrative organs, the interests of the individual portfolios and the sectorial attitude have gained ill-proportioned importance – which is, implicitly, nothing but an example of centralization.

To sum up, it can be stated that even though deconcentration does not have a clear-cut definition, it practically means the retention of the various tasks and authorities in state administration, by means of assigning them to so-called “deconcentrated administrative bodies” operating in central subordination. In other words, we can consider it to be the division of labour within state administration. The question is now which organs can be considered as “deconcentrated administrative bodies”? To be able to answer this question, let me firstly refer to the Government Decree of 318/2008. According to that, the coordination licences of the territorial administrative agencies affect those state administrative organs which, on the one hand, have their headquarters situated within the aforesaid agencies’ sphere of activity, and on the other

⁴ VIRÁG, Rudolf: A dekoncentrált szervekre vonatkozó szabályozás néhány jellemzője, Magyar Közigazgatás, 1994, (Vol. 44, Issue 1.) page 12.

hand, are the local “extensions” of a central bureau or government office (these types of organs are clearly defined by the Statute of 2006/LVII for that matter). Consequently, the deconcentrated administrative organs are territorial administrative agencies of a central bureau or government office.

2. The Diversity of the Deconcentrated Administrative Bodies

The network of the aforesaid administrative agencies is a rather heterogeneous group of organs, which is just reinforced by the great variety of their possible designations. Besides “territorial administrative agencies” the most frequent names used for designation are the “deconcentrated administrative bodies” (or shortly “deko”) and the “centrally subordinated administrative agencies”. However, it is not just the nomenclature which houses such diversity; due to the lack of proper legal regulations, their establishment, dissolution and sphere of authority share that very same quality of variedness.

In spite of these, mid-level state administration still has a couple of attributes that we can consider common. The first of these is that all the deconcentrated administrative agencies are under departmental control. Secondly, they typically have a special sphere of activity to be able to manage their executive tasks; the sole exceptions to this are the bureaus of public administration. Next, the employees of the “dekos” come under the ruling of the *Statute about the Public Servants*. Also, based on the referring regulations of the Constitution, only the Parliament and the Government can establish such an organization. As for their qualification, we can distinguish among regional, county and (rarely) intraregional “dekos”. Consequently, these agencies are currently not developed to the municipal level.

3. About the Recent Transformation of the Territorial Administrative Agencies

Several notable representatives of the scientific community have called the attention to the various insufficiencies of the post-Transformation public administration, urging the appropriate authorities to take the necessary steps. Among these, we can list the reduction of the number of organs, the coordination of their activities and the establishment of their constitutional and legal regulation.⁵ Of course the government of that time was aware of this problem, therefore an attempt to settle the question was soon carried out.

⁵ GELENCSÉR, Gábor: A dekoncentrált államigazgatási szervek tevékenységének összehangolása I. Magyar Közigazgatás, 2001. (Vol. 51.) Issue 4, page 252.

However, in spite of the progressive ideas and corrective intentions, the lack of persistent will from the government's part made the consolidation of the territorial level impossible. Several government decrees prove that the problem of mid-level administration was constantly on the agenda, but no solution could be made that could have pleased the interests of every portfolio. The firm will of the government slowly started to lose its impetus, which resulted in its disappearance among the midst of composed government decrees; only part of the original ideas could be realized. However, in recent years, notable steps have been taken toward rationality; the most important of these were the re-regulation of the main aspects of central state administration and the regionalization of local state administration.

The basis of reorganization has been created by the *Statute of 2006/CIX. About the Amendments Regarding the Establishment of Governmental Agencies*; this was followed by the development of the modern structure of regional administrative bodies. Following an intensive session of preparation, the system of territorial administrative agencies has substantially changed. Although the newly-created organs were operational as soon as 1 January 2007, the actual process of reorganization lasted until the first half of 2007.⁶

The comprehensive nature of this aforesaid reorganization is marked by the fact that while in 2006, there were altogether 48 territorial administrative and law enforcement agencies in Hungary, their number has been reduced to 33 by 1 January 2007. As for its direction, the reorganization was also an act of regionalization at the same time. But as for its content, we can differentiate among several processes that took place simultaneously during this aforesaid act of reorganization (*see Attachment 2*). For example, the administrative reform also involved some changes in the authorities between some agencies. During this, the responsibility of the territorial administrative authorities has been clarified and a profile cleansing has also been carried out regarding a couple of agencies. Compared to their legal predecessors, some other bureaus even acquired an extended sphere of activity.

4. Changes in the Organization of the Territorial Agencies

The inner structure of the regionalized organizations in the centre of the local organ usually functions similarly to its predecessor, but in some cases, new organizational elements have also been established. It can be laid down as a fact that regardless of the changes, the individ-

⁶ BÉRCESI, Ferenc: A területi államigazgatási szervezetrendszer átalakításának és működésének tapasztalatai, különös tekintettel a közigazgatási hivatalokra, *Közigazgatási Szemle*, Issue 2007/3., page 67.

ual organizational elements keep fulfilling their duties; consequently, the aforesaid change has affected primarily just the functional elements of the organization. I would like to reinforce this with two special examples. Firstly, the territorial sub-offices of the Central Statistical Office carry out most of their duties with a country-wide sphere of activity (instead of being just the local extension of the central authority). Secondly, the regional bureaus of the National Communications Authority operate as affiliated departments that carry out their tasks also on nationwide level.⁷

In relation to this, it should also be mentioned that the number of employees in the various elements of the regional authorities depends neither on the office's designation nor its status; it is primarily affected by the quantitative and qualitative aspects of the assignments to be done. In consequence of the modernization of the territorial organs, there was also an opportunity to changes which – albeit not connected strongly to the above-mentioned reforms – would probably have not taken place otherwise. A good example of this is the fusion of the various municipal ÁNTSZ⁸ institutions into a single regional institution.

5. Conclusions

One of the specialties of the aforesaid regional reform was the lack of a pan-governmental system of respects. The result of this – which, however did not happen the first time – was that the various portfolios became self-acting and the individual sectors took their own course during operation. Consequently, the governing agencies usually tried to formulate their own organizing principles solely with their own regional authorities in mind.

Since the latest comprehensive organization-conversional procedure was marked by considerable heterogeneity, we can safely state that the organizational consolidation of regional state administration is still not finished. Due to the lack of a standard governmental strategy, the reform resulted in a set of conversional procedures which, though differed in their methods and schedule, were running parallel regarding the individual portfolios. Because of this, the current structure of deconcentrated state administration is almost as heterogeneous as it was in its inception.

It can be ascertained then that the reform of the regional administrative agencies is a prolonged procedure which began in 2005 and has been in progress ever since – though its cul-

⁷ Ibid. page 71.

⁸ Hungarian National Public Health and Medical Officer Service

mination has already taken place. Currently, the establishment of the conditions required for the effective operation of the present system is in progress. This however makes inevitable to summarize the experiences of the aforesaid conversion, and to reveal the problems that arose along with the changes.

III. RECOMMENDATIONS REGARDING THE FURTHER DEVELOPMENT OF THE HUNGARIAN TERRITORIAL STATE ADMINISTRATION

The summary above has shed light to several deficiencies of regional state administration which must be remedied in the near future. For my part, I would like to present a couple of recommendations which intend to establish a common standard for the system of territorial state administration. The list of proposals can be read below.

Unification of the territorial state administrative system

My idea is that the system of state administration must be based on a unified organizational framework which must be taken into account and must be realized during the subsequent transformations. But this can only be done if the future reforms (or reform steps) are able to establish a pan-governmental attitude which would span beyond the individual portfolios.

Establishing a statute to govern the organizational aspects of deconcentrated administrative bodies

I found it inevitable to establish legal regulation for the deconcentrated administrative agencies, to institute a statute about the organizational aspects of state administration, and finally (as a support of this aforesaid statute) to give a proper legal definition for the centrally subordinated administrative organs. The executive level of state administration however requires additional structural questions to settle. To ensure the further rationalization of the system, the concept of “one portfolio – one deconcentrated organ” should be taken into consideration.

Strengthening the territorial coordination

Because of the sectorial separatism, the aforesaid program that intends to rationalize and modernize the system would still call for the coordination between the territorial administrative agencies. Therefore, I am convinced that the Government should endorse the licenses of both the administrative offices and the territorial government offices. In other words, more emphasis should be placed on the role of administrative offices in territorial state administration.

Revision of public tasks and activities

Following the revision of the organizational structure, the aforesaid agencies' sphere of activity and tasks must be re-examined. This will probably induce further changes, mostly because the great number of territorial administrative organs is a known issue. Another important aspect of this problem is the way how the deconcentrated administrative agencies receive the public tasks to be carried out – and the amount of these aforesaid tasks.⁹

One sector – one deconcentrated body

The further rationalization of the state administrative system is inevitable, but the methods that can be used to achieve this goal are far from being equally acceptable. I think that the establishment of the “one sector – one organ” rule would function as a golden mean in this case. The reasons of this are various: by employing this policy, firstly it would be possible to reduce the number of deconcentrated administrative organs; coordination would also become more effective; finally, this decision would also suit the needs of the individual portfolios. This is why I consider the aforesaid policy of “one sector – one deconcentrated organ” to be acceptable; however, a profile cleansing in the government bodies' sphere of activity is unavoidable to achieve the desired results with it.

Systematic approach to the above-mentioned conversion

The transformation of the central and territorial levels of state administration must inevitably call forth the rationalization of the system of self-government too. Since the alteration of a single element in the complex system of public administration necessarily affects the rest of the elements too, the intervention itself must also be complex. This is just reinforced by the earlier experiences which show that it is impossible to transshape mid-level public administration without taking into account the rest of the system.¹⁰

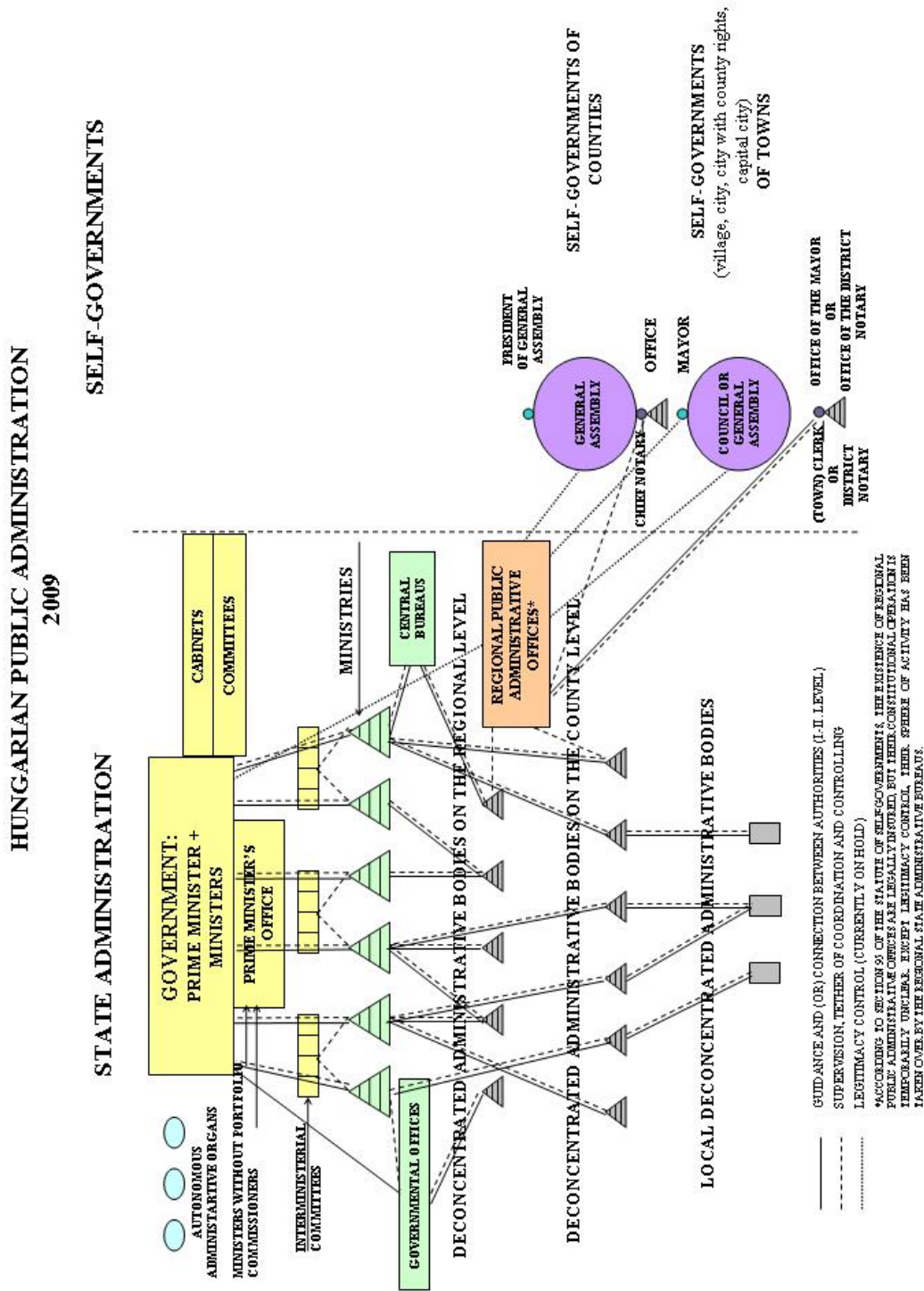
At the same time, I am also of the opinion that we simply could not gain enough experience so far which would make possible to have a good grip on all the current problems; therefore, the “fine tuning” of the system should be carried out slowly but continuously. I am convinced that the results achieved so far should not let go to waste; the experience gained must be used to ensure the continuation of the commenced modernization of public administration. In my

⁹ BÉRCESI, Ferenc – IVANCSICS, Imre: A közigazgatási hivatalok regionális alapokra helyezésének lehetőségei, A területi államigazgatás reformja, MKI, Budapest, 2006. page 12.

¹⁰ BALÁZS, István: A regionális közigazgatási hivatalok kialakításának lehetőségei a területi államigazgatás átalakítása tükrében, A területi államigazgatás reformja, MKI, Budapest, 2006. page 35.

opinion, considering that the post-socialist Hungarian system of public administration is just a little more than 15 years old, its structure simply could not reach a finalized state yet. Consequently, further structural changes can be expected on the territorial level in the near future.

ATTACHMENT 1. *Legal relations and connections between the administrative organs of the Hungarian public administration after regionalization*



Source: Balázs István: A közigazgatás az állami szervek rendszerében és a közigazgatás szervezete. Study-aid, Debrecen, 2001. Page 41. The original figure has been updated by the author of the essay.

ATTACHMENT 2. State administrative and law enforcement bodies on the regional and county level in 2009.

ADMINISTRATIVE ORGANS AND ORGANS OF LAW ENFORCEMENT ON THE REGIONAL LEVEL

Name of Organ	Regional headquarters							Controlling Document
	Central-Hungary	North-Hungary	North-Plain	South-Plain	Middle-Transdanubia	West-Transdanubia	South-Transdanubia	
Typical regional organs								
Regional Administrative Offices	Budapest	Eger	Debrecen	Szeged	Székesfehérvár	Győr	Kaposvár	318/2008. (XII. 23.) Gov. decree
Regional Administrations of the Hungarian Tax and Financial Control Administration	Budapest	Miskolc	Nyíregyháza	Szeged	Székesfehérvár	Győr	Pécs	273/2006. (XII. 23.) Gov. decree
Regional Administrations of the State Treasury	Budapest	Salgótarján	Szolnok	Kecskemét	Veszprém	Győr	Pécs	311/2006. (XII. 23.) Gov. decree
Health Insurance Funds	Budapest	Miskolc	Nyíregyháza	Szeged	Székesfehérvár	Győr	Pécs	297/2008. (XII. 11.) Gov. decree
Regional Administrations of National Pension Insurance	Budapest	Salgótarján	Debrecen	Szeged	Tatabánya	Zalaegerszeg	Szekszárd	289/2006. (XII. 23.) Gov. decree
Regional Employment Centres	Budapest	Miskolc	Nyíregyháza	Békéscsaba	Székesfehérvár	Szombathely	Pécs	291/2006. (XII. 23.) Gov. decree
Regional Employment Inspectorates of the Labour Inspectorate	Budapest	Eger	Debrecen	Kecskemét	Székesfehérvár	Szombathely	Pécs	295/2006. (XII. 23.) Gov. decree
Regional Inspectorates of Working Conditions of the Labour Inspectorate	Budapest	Miskolc	Debrecen	Kecskemét	Veszprém	Szombathely	Pécs	295/2006. (XII. 23.) Gov. decree
Inspectorates of the National Consumer Protection Authority	Budapest	Eger	Debrecen	Szeged	Székesfehérvár	Győr	Kaposvár	225/2007. (VIII. 31.) Gov. decree
Regional Administrations of the Office of Immigration and Nationality	Budapest	Miskolc	Debrecen	Szeged	Székesfehérvár	Győr	Pécs	162/1999. (XI. 19.) Gov. decree
Regional Offices of the National Office of Cultural Heritage	Budapest (+2 nationwide)	Miskolc	Debrecen	Szeged	Székesfehérvár	Sopron	Pécs	308/2006. (XII. 23.) Gov. decree
Regional Institutions of the Hungarian National Public Health and Medical Officer Service	Budapest	Eger	Szolnok	Békéscsaba	Veszprém	Győr	Kaposvár	362/2006. (XII. 28.) Gov. decree
MIKEH Authorities of Measurement and Technical Security	Budapest (+3 nationwide)	Miskolc	Debrecen	Szeged	Székesfehérvár	Győr	Pécs	260/2006. (XII.20.) Gov. decree
Regional Administrations of the National Transport Authority	Budapest (+3 nationwide)	Eger	Nyíregyháza	Kecskemét	Tatabánya	Győr	Szekszárd	263/2006. (XII.20.) Gov. decree
Regional Administrations of the Educational Authority	Budapest	Miskolc	Debrecen	Szeged	Veszprém	Győr	Kaposvár	307/2006. (XII.23.) Gov. decree
Regional Administrations of the Central Statistical Office	Budapest	Miskolc	Debrecen	Szeged	Veszprém	Győr	Pécs	Statute of 1993/XLVI (The administrations fulfil their duties on a nationwide level.)
Regional Headquarters of the Customs and Finance Guard	Budapest	Miskolc	Debrecen	Szeged	Székesfehérvár	Szombathely	Pécs	314/2006. (XII. 23.) Gov. decree

Regional Development Council	Budapest	Miskolc	Debrecen	Szeged	Székesfehérvár	Sopron	Pécs	Statute of 1999/XCII.
Atypical regional organs	The headquarters of the atypical regional organs differ from standard arrangement							
Environmental and Water Authorities (12)	Győr, Budapest, Baja, Székesfehérvár, Pécs, Szombathely, Nyíregyháza, Miskolc, Debrecen, Szolnok, Szeged, Gyula							
Inspectorates of Environmental Protection and Water Management (10)	Győr, Szombathely, Székesfehérvár, Pécs, Budapest, Debrecen, Nyíregyháza, Miskolc, Szolnok, Szeged							
National Park Administrations (10)	Jósvafő, Csepak, Eger, Pécs, Esztergom, Sarród, Hortobágy, Kecskemét, Szarvas, Óriszentpéter							
Regional centres of the National Meteorological Service (5)	Siófok, Miskolc, Debrecen, Pécs, Szeged							
MBFH district inspectorates of mines (5)	Budapest, Miskolc, Pécs, Szolnok, Veszprém							
Administrations of the National Communications Authority (5)	Debrecen, Miskolc, Pécs, Sopron, Szeged							
Replacement Centres of the Hungarian Defence Forces (2 db)	Szolnok, Veszprém							
Institutions of the Hungarian Prison Service	1 nationwide, 17 regional, 20 county							

ADMINISTRATIVE ORGANS AND ORGANS OF LAW ENFORCEMENT ON THE COUNTY LEVEL

Name	Controlling document
Office of Justice	303/2006. (XII. 23.) Gov. decree
Central Agricultural Office	274/2006. (XII. 23.) Gov. decree
Agricultural and Rural Development Agency	256/2007. (X. 4.) Gov. decree (in some cases of financial aid, the county organs can function as regional departments)
Registries of Title Deeds	338/2006. (XII. 23.) Gov. decree
Defence Committees	Statute of 2004/CV.
Directorates for Disaster Management	Statute of 1999/LXXIV.
County Police Headquarters	Statute of 1994/XXXIV.
Local agencies of the Office of National Security	Statute of 1995/CXXV. + OOR

Source: Ministry of Local Government