

Jochen Franzke/Astrid Strohbach/Stefanie Tragl

Problems of Agricultural Administration in Central and East European Countries - some preliminary Results from Estonia, Poland and Slovakia

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Introduction

More than a decade after the collapse of the communist system, the countries considered here are all on the brink of EU accession. The development from being tied into the Soviet system to become democracies and at the same time market economies faster growing than EU-15 average has been remarkable¹.

The agricultural sector illustrates well the nature of transition as a multidimensional process with a specific set of problems. Levels affected include the political (EU versus national policies), economic (direct payments), legal (law on land, restitution versus compensation), trade (redirection of import-export), diplomatic (agriculture as a bargaining issue), the societal (urban-rural cleavage) and the administrative spheres (robustness of old habits versus newly implemented structures).

The paper looks at the structures and practices of administrative institutions at central state level, a field that still lacks empirical research. We address the progress and status quo in transformation and EU integration guided by the following questions:

Context: What are the basic features of governmental organisation that affect agricultural administration?

Genesis: How did institutions concerned with agricultural administration change and why?

Structures: How can ministerial administrations be described in terms of horizontal and vertical differentiation? What are the instruments of governance?

Processes: What role does ministerial administration play in formulating, mediating and implementing policies?

The development of agricultural administration and its adaptation problems can only partly be explained by factors specific to the agricultural sector in the countries. Such

¹ All the countries of our study can claim to have gone through transition successfully. All belonged to the first wave for accession negotiations whereby the late invitation of Slovakia was because of democratic rather than economic problems.

factors are the structure and significance of agriculture (part 1) as well as the “degree of fit” between the main instruments of agricultural policy in comparison to the policy instruments of the CAP (part 3). Partially, explanations have to refer to the context of politico-administrative systems (non-sector-specific factors, see part 4).

The paper is based on recent theoretical and empirical literature as well as primary sources. The existing bulk of transition research on government systems provides the framework. Empirical components are based on a yet unfinished study (semi-structured interviews) of around one dozen civil servants in each country². Due to the exploratory and analytical nature of the study, we do not claim to give a quantitative analysis. Instead, we want to raise problems and examine crucial issues of central-state ministerial administration in transition countries.

I Structure of the Agricultural Sector

The performance of the agricultural sector mirrors that of the economy at large³. In the wake of transition, it was badly affected by deteriorating internal terms of trade. After a big slump the sector stabilized at a lower level. This low level is regarded as normal in market economies and the normal response is for resources to move slowly out of agriculture⁴. Following the difficult period of adjustment shocks, industrial growth now exceeds agricultural growth. Labour productivity was increased (positive relation to GDP)⁵. Despite an ever declining share in GDP the importance of agriculture in all our countries is still twice as high as in EU-15.

The structure and significance of the agricultural sector differs in the three nations:

Table 1: Structure and Significance of the Agricultural Sector

	Share of utilised agricultural area in total area (%)		Share of Agriculture in GDP (%)		Share of Agricultural Employment in total employment (%)	
	1994	2000	1994	2000	1994	2000
Estonia	24,3	21,8	10,5	6,7	14,6	7,4
Poland	59,0	58,3	6,9	3,3	24,0	18,8
Slovakia	49,9	49,8	5,7*	4,5	9,2	6,7
EU-15	**	40,6	**	2,0	**	4,3

Source: European Commission Directorate-General for Agriculture 2002a, 2002b, 2002c;

*Figure for 1995, **no data available

² It was agreed that the interviewee's names and organizations would remain anonymous.

³ Estonia: 1.4 million inhabitants 45.000km² GDP €7.700 pc 19.3% poverty rate

Poland: 38.7 million inhabitants 313.000km² GDP €7.800 pc 18.4% poverty rate

Slovakia: 5.4 million inhabitants 49.000km² GDP €10.300 pc 8.6% poverty rate

⁴ See Davidova/Buckwell in Tangermann/Banse 2000, p.24

⁵ See EBRD Transition Report

Agriculture in Estonia is an important economic factor because of its high share in GDP. Estonian farms were collectivised in Soviet times. Hence, the restitution was one of the main issues in the 90ies. Privatisation was conducted mainly in form of restitution or pre-emption. The complex privatisation process is not yet completed.

In Poland, the share of agriculture in GDP dropped significantly since the beginning of transformation. Still, agriculture plays an important role in domestic politics because of its high share in employment. For this reason, agricultural policy in Poland fulfils largely the functions of social policy. Polish farmers form a significant voting potential, a fact the Polish politicians had to bear in mind when negotiating the Copenhagen compromise. The structure of farms is polarised. On the one hand, there is a small number of large farms. On the other hand, there is a large number of very small farms⁶. Many farmers do not produce for the market but for their own subsistence. Privatisation and restitution has not been a major issue because there has not been successful and thorough collectivisation in Poland, so that there were only a small number of state farms. Nevertheless, the former state farms are a social problem in Poland. They are located in areas of weak infrastructure, high unemployment and form communities of structural poverty.

In Slovakia, agriculture does not occupy such an important role, neither concerning share in GDP nor share in employment. For that reason, Slovakia could reach more easily a compromise in the EU accession negotiations. The privatisation process in Slovakia is nearly completed. Today, cooperatives and limited liability companies dominate the agricultural sector even though there is still a high number of non-registered small subsistence producers.

Besides the hard economic facts, one should not underestimate the impact of the underlying fabric that agriculture provides to a nation. Poland and what is now Estonia and Slovakia were up until the middle of the 20th century predominantly agricultural societies. Developments like the massive industrialisation drive or the production of internationally unsaleable goods after World War II were not natural but were superimposed by the all-encompassing Soviet power. After its demise, the inherited structural problems are formidable. Examples for the problems agricultural administration had to solve are a badly distorted land market and the need to develop reasonable rural development strategies. Policy analysis was hardly developed as all

⁶ see Hausner/Marody 1999, FDPÄ 2002

directives previously came from the Communist Party, while ministerial administration was a mere executive body⁷. Therefore, mistakes were inevitably made. The early phase of transition was marked by an overall economic liberalisation (this is especially true for Estonia and Poland). Swinnen speaks of a “stopgap policy” regarding agriculture. Various governments undertook erratic and often aborted policy initiatives⁸. Agriculture suffered from contradictory and unnecessarily painful decisions. The Ministries of Agriculture clearly lacked human capital since previous administrative skills and understanding of policy effects in a command economy were inadequate in the new market environment. These “lost years” for agricultural development can also partly be explained by a deep-seated aversion of any planning and a somewhat naïve enthusiasm for the free market taking care of everything. The situation was improved by the prospects and institutional arrangements opening up with the EU-candidate status alongside with the substantial expertise provided by EU pre-accession programmes. Senior officials admit that only the pressure of European integration brought about the necessary change of attitudes to install a workable rural development plan in the first instance⁹.

So far, much of the change was and is certainly shouldered by central state ministerial administration. But it is also true that changes in attitudes take considerably longer than changes in outward structures. Relevant for success in transformation is also the national variety of “civicness” and basic mentalities¹⁰; but systematic analysis of such “cultural” factors would go beyond the scope of this text.

Overall, we can state that agricultural policy is not a sector-specific problem, but it is a highly political question including social policies, regional development and even the unity of the nation.

II Structures of Agricultural Administration – A Three-Country Comparison

Our first results provide interesting material to analyse the development and efficiency of structures in agricultural administration by cross-country comparison. The present challenge to agricultural administration comes in the wake of EU accession. That means a switch from national-based policy-making to a centralized international

⁷ See Sootla/Roots, p. 335 in Verheijen 1999 – check date

⁸ See Swinnen in Tangermann/Banse 2000, p.174

⁹ Interview with an official of the Estonian Ministry of Agriculture

¹⁰ See Wrobel, 2001 p. 243-251

framework. Increasingly, a great deal of implementation of agricultural policy is handled by governmental agencies and other subordinated public authorities. For this reason, we include agricultural agencies into our analysis.

Referring to statistics, the following picture unfolds:

Table 2 Key figures of agricultural administration for 2002

	Number of Staff in the Ministry of Agriculture	% of MoA out of total nr. of staff in all ministries	Share of the agric. budget at the nat. budget	Number of departments	Number of subunits in the departments (subunits total)
Estonia	180	7.7%	2.5 %	9	1 – 6 (23)
Poland	403	*	2.3 %	11	2 – 9 (58)
Slovakia	410	5.7%	6.1 %	7	2 – 6 (27)

Source: own compilation according to national data and organisational charts (2002), * no data available

The figures vary a great deal. Estonia, having the highest agricultural share in GDP, has the lowest budget allocation for it, but staffing in the ministry is comparatively large. Poland has quite a low number of staff in a badly funded ministry but there are powerful agencies. In one case, the budget is even four times as big as the ministry's¹¹. Slovakia seems to have a better fit regarding budget and staffing.

Horizontal Structures

Looking at the organisational charts of the ministries, the first impression is that the structure in all the countries is similar to that of Continental Europe. The three ministries of agriculture (in Slovakia “Ministry of Soil Management”) are headed by a **Minister** appointed by the Prime Minister. They are implementing governmental policy on agriculture, development of rural areas, agricultural markets and trade, in Slovakia, Water management too. All countries have a Ministry of the Environment in addition.

The organisational structures differ as far as the allocation of tasks to certain departments is concerned. They also differ regarding their complexity like number of departments and number of subunits allocated to departments. The Polish Ministry of Agriculture has the most complex structure, corresponding to the size of the country and the size of its agricultural sector.

A similar set-up in all three ministries show the departments concerned with agro-food and trade, legal issues, European integration and general administration. There is diversity in all the other departments. For example, forestry and water management are found only in Slovakia whereas departments of defence matters

¹¹see Bach/Szumaska 2002

and plant production are singular to Poland. The units dealing with European Integration have undergone frequent restructuring. At the moment, Estonia has just set up a Department of European Integration (from 1. Feb. 2003) coming from the Public and Foreign Affairs Department. Poland has also one for European Integration and one for Pre-accession Assistance and Structural Funds in addition. Slovakia has combined its competency for Europe in the powerful “Section” (Department) of EU Integration, Structural Policy and Rural Development. The near future will bring more structural reforms with the onset of EU membership.

Administration of the ministry itself is located in special administrative departments in Estonia and Slovakia. In Poland, there is the institution of a director general, supported by the office of the director general and its subunits. The director general is *de jure* the highest non-politically appointed official in the ministry. Apart from Estonia, there are also several offices not allocated to departments, which fulfil service functions for the whole ministry.

Vertical Structures

One can identify four levels of vertical hierarchies or levels. The Minister is on top level. His political counsellors form the political cabinet or the minister’s office. On the second level are the Secretaries of State, followed by the Deputy Secretaries of State on third place. The political counsellors and the secretaries resp. deputy secretaries of state are appointed politically. The heads of department on level four should be non-political officials, but in practice they sometimes also change together after general elections.

The Estonian Minister of Agriculture has just **one** “second man”, the so-called Chancellor or **Secretary General**, a professional top-official¹² who directly overlooks seven departments, mostly of administrative nature (Legal Services, Public and Foreign Affairs, European Integration, Administrative, Internal Audit and Fisheries). On level three, there are two **Deputy Secretary Generals**. One is in charge of Agriculture and Rural Development, co-ordinating the activity of the strong Departments of Rural Development and Agriculture. The other overlooks those for Veterinary and Food and Agro-Food and Trade. Fourth in hierarchy are the heads of departments.

¹² After the general elections of March 2, the winning Res Publica party discussed, for reasons of efficiency the introduction of two political Deputies flanking the Minister instead of the Kantsler, who is a not necessarily politically appointed bureaucrat-manager.

They steer the work of ten rather small (Scandinavian-type) departments. Besides, there are (weak) political counsellors in the minister's office.

In Poland, the Minister is flanked by **two Secretaries of State**, each responsible for three departments: Budget and Finance, Pre-accession Assistance and Structural Funds and Rural Development; respectively Plant Production, Animal Production and Veterinary Issues and Fisheries. Almost on the same level as the two Secretaries of State are two **Under Secretaries of State** in charge of the Departments of European Integration, Foreign Co-operation as well as Soil Management, Rural Infrastructure, Food Processing, Agricultural Markets and (interestingly) Defence Issues. In the ministry, there are eleven departments and six units not allocated to departments (Control Bureau, Law Office, Office of Minister's Press Spokesman, Administrative and Budgetary Office, Internal Audit, Post of Confidential Information Protection).

In Slovakia, the Minister has **two State Secretaries**, whose alignment to departments is not apparent, and a **Head of Ministerial Office**, who is in charge of the Personnel Office, Crisis Management and Informatics. In addition, the minister has counsellors in charge of Press- and Public Relations, International Affairs, protocol and parliamentary matters.

Subordinated Authorities and Agencies

Several public authorities such as inspectorates, research institutions, consultant bodies and governmental agencies are linked to the sector. Agencies can be defined as public authorities, which are dispatched from their "home" ministries by separate organisation and budget. Steering is done through "softer" instruments like specific targets and by global budget allocation. We include the agencies in our study because they evolved out of the ministries. They fulfil a vital role in implementing agricultural policy, handling the pre-accession funds and, in due time, will do so with the CAP instruments as well. The main agencies in our countries include the Estonian Agricultural Registers and Information Board (ARIB) in Tartu with 300 staff and an autonomous budget. Since 2001, ARIB works successfully as central implementation and paying authority for SAPARD (the Special Accession Program for Agriculture and Rural Development) and all EAGGF (European Social Fund) measures. It has become a showcase for all EU candidates. In Poland, the Agency for the Restructuring and Modernisation of Agriculture (ARMA) is working as SAPARD paying authority and future paying authority for direct payments as well as other measures from the

EAGGF. The Agency for Rural Market (ARM) is in charge of the Polish market intervention measures and will become the paying authority for the Common Market Organisations. The Agency for Agricultural Property of the State (AAPS) is concerned with privatisation of former state owned land. Insufficient means of budget and function control over the agencies have become a serious concern, particularly in view of ARMA. Therefore, the Slovakian Ministry of Agriculture decided to incorporate all paying agencies (the SAPARD Agency, Agricultural Intervention Agency and the Paying Agency Department of the Ministry) into one single agency. It is directly subordinated to the Ministry and resembles more a subordinated authority than an autonomous agency.

III Problems for Agricultural Administration in the Process of EU Integration

The foremost task in the present accession phase is to establish the foundation of a market regulation system corresponding to that of the CAP (the Common Agricultural Policy of the EU). Problems in the development of agricultural administration and its adaptation to the requirements of EU integration are pointed out in the Regular Reports on Progress by the EU Commission, but are also apparent in the domestic discussions. Mostly, they are related to the implementation capacity and the quality of personnel in administration. Examples thereof include the delay in the implementation of the SAPARD program in Poland and Slovakia.

The Estonian agricultural administration is assessed positively by the EU, a fact that has to be explained in comparison with the two other countries.

Main Instruments of Agricultural Policy

The national agricultural policy in the three countries differs a lot from the EU. Hence, this fact could be a sector-specific explanation for the troubles with adapting their agricultural administration. It is thus helpful to ask for the “degree of fit”¹³ between the main instruments of agricultural policy in the countries in comparison to the policy instruments of the CAP.

In Estonia, liberalisation of agricultural policy left EU levels behind already before accession negotiations started. There are not even domestic market and price support schemes. Free trade policy was fully applied to agriculture, without any export subsi-

¹³ see Knill 2001.; Tangermann/Banse 2000:21

dies. Instead, direct payments and subsidised credits are in place. The Estonian agricultural policy is least compatible with the CAP as there are no market and price support schemes and, until recently, no export subsidies or import restrictions. Given such fundamental differences, one could suppose that the Estonian agricultural administration would have the greatest difficulties adapting the CAP. However, this does not seem to be the case. In contrary, according to the Progress Reports the least problems are with Estonian administration.

In Poland, intervention purchases, price support and production quotas have left a mark on agricultural policy. Loan subsidies and subsidies for inputs (fuel) are further instruments not in line with EU policy. The social security scheme (KRUS) is not a direct instrument of agricultural policy, but it accounts for the main share of the Polish agricultural budget. Nevertheless, some experiences with market and price support schemes are given, which means that agricultural policy is at least partly compatible to the CAP. Direct payments are not handed out in Poland.

In Slovakia, the main features are interest subsidies, guaranteed loans, export subsidies and input subsidies along with direct payments for less favoured areas. Market support schemes are only of limited relevance. The system of support instruments in Slovakia is quite heterogeneous in comparison to the CAP instruments.

Adaptation to the CAP – a Challenge for Agricultural Administrations

The CAP calls for a completely new way of agricultural policy in CEEC due to its comprehensive and detailed regulations as well as its financial scale. The resulting adaptation problems are identified in each of the EU Regular Reports on Progress.

Key questions for analysing the adaptation process are:

- Is the speed of adaptation to EU requirements in agricultural administration compatible to the overall speed and range of modernization processes in other branches of administration?
- Does progress in the agricultural sector occur slower than in other branches? Is agricultural administration a particularly conservative branch of administration?
- Is adaptation in certain areas of agricultural administration taking place faster, leading to changes in the quality of administrative institutions? Do the units concerned with EU matters, especially management of EU funds, form “islands of excellence”?

Despite the huge number of regulations in agriculture, all the countries have made continuous progress in legal adaptation to the *acquis communautaire*. The transposition of EU law into national law is highly complex and work-intensive. It affects the tightly regulated areas of common market organisations, veterinary and phytosanitary issues etc.

The major problems occurred when administrative capacity had to be expanded in order to implement the legal regulations. Organisational structures of paying authorities had to be adjusted to EU requirements. In the veterinary sector, efficient coordination between the administrative authorities in different levels of government had to be developed. Additional personnel especially in the paying authorities, veterinary and phytosanitary inspections is needed. They have to be employed and trained prior to the accession date, which is expensive.

The implementation of market intervention schemes is difficult in those areas where no national schemes existed before. In Poland and Slovakia, most problems and significant delays occurred in the implementation of the IACS system and the SAPARD programme. SAPARD is designed to help the accession states in their structural adaptation of the agricultural sector as well as in their implementation of the *acquis*. In Poland and the Slovak Republic, accreditation of the paying authorities by the EU Commission and thus payments from SAPARD were delayed for two years because it was so difficult to set them up. The Polish explanation for this delay is that SAPARD practice is typical for structural programs, e.g. a large amount of smaller projects requiring a lot of bureaucracy and a decentralized distribution of means. Moreover, payment procedures are particularly complicated because SAPARD is co-financed by the guarantee section of the EAGGF¹⁴. The requirements on payment agencies are very strict as SAPARD is decentralized. The candidate states themselves are responsible and accountable for the administration of financial means¹⁵. Estonia was one of the first accession countries implementing SAPARD. The EU accredited the paying authority in December 2001. Administrative capacities and staff training there is assessed positively by the EU-Commission. This fact can be explained by political commitment of the Estonian Ministry of Agriculture, good Twinning cooperation and sufficient financial resources for this high-priority project. The Esto-

¹⁴ see Ministerstwo Rolnictwa i Rozwoju Wsi 2002

¹⁵ van Stolk 2002: 9

nian SAPARD agency was treated as a showcase by both, the central government and the EU- Commission¹⁶.

In an overview, adaptation problems for agricultural administration are the following:

1. Huge amount of regulations in the framework of the CAP

The enormous workload is the most apparent sector-specific problem for agricultural administration. Every single law has to be adopted to national law. In some areas, framing bills allowing governments to adopt a law without undergoing parliamentary legislative procedure are helpful. But mostly, framing bills can be ratified only after accession.

2. Implementation capacities of administrative institutions

Delegation of responsibilities and questions of control and coordination within and between administrative institutions pose the main difficulties. The delays concerning SAPARD and IACS can possibly be explained in this context. Similar problems are reported from the preparation for the utilisation of structural funds.

3. Qualification and training of staff

Staff in administrative institutions constantly faced new tasks dealing with completely new legal frameworks. Knowledge of foreign languages, formerly of minor relevance, became important in order to deal with EU documents and institutions. A further problem, especially in Poland, is excessive change of staff after elections and the large scale of political recruitment.

Departments in agricultural ministries handling EU integration issues and international relations often employ young and well trained staff and even develop different working routines compared to those, where staff is working for many years already and routines remain largely unchanged. Administrative institutions can thus be described as being heterogeneous and developing with different speed.

4. Policy-making capacities and strategic thinking

Policy-making capacities in ministerial administration, not just in agricultural administration, are underdeveloped. These functions are allocated to inadequately equipped units. There is a lack of needs analysis and NGO's are not consulted suffi-

¹⁶ see interview with an official from the European Commission Delegation in Estonia

ciently in the policy-making process. In Estonia, for example, strategic planning in agricultural policy started only with the beginning of accession negotiations. Indeed, the accession process showed that there is very heterogeneous interest among the accession countries and that there has not been a joint strategy. The Polish example illustrates that the fiercely negotiated Copenhagen compromise was largely determined by populist interests of politicians. There has been less effort to do an assessment of the impact these policies will have for the state budget and for the structure of the agricultural sector - serious issues, that are only recently under discussion.

Sector-Specific or Non-Sector-Specific Explanations?

Some of the problems mentioned above can be explained by circumstances specific to the agricultural sector and its administration. Others have to be seen in context with the overall politico-administrative systems in the countries.

The fact that adaptation to EU requirements is slower in the agricultural sector does not necessarily imply a conservativeness of agricultural administration, but rather the workload faced in the wake of EU integration. Again, the amount of regulation in the framework of the CAP (more than 50% of the *acquis*) is the most obvious sector-specific problem for agricultural administration.

The queries concerning implementation capacities are not sector specific, but are also reported from other branches of administration in these countries as well. Problems resulting from the lack of qualified staff are not specific to the agricultural sector, but are characteristic to administrative systems in general. The high politicisation of civil service can be explained by an instability of government and polarisation of the party system. It seems, however, that agricultural administration is more politicised than other branches owing to the power of peasant and rural parties.

Underdevelopment of policy-making capacities results from administrative traditions inherited from communist times and, in addition, from the high turnover of administrative staff.

Finally, because parties do not compete by means of clear-cut programmatic alternatives, the party system too contributes to this pathology.

IV Explanations from the Context of the Politico-Administrative System

The last chapter turns to the context of political and administrative systems to find a broader explanation for non-sector specific problems faced by agricultural administration in CEEC.

1. The Building of a Nation State

Major influence upon the development of ministerial administration was asserted by the way the nation state evolved after 1989, which was either by re-constitution (Estonia), new foundation (Slovakia) or continuing nation state (Poland)¹⁷. New statehood in Estonia and Slovakia eased the break with the old regime because of the need for structural changes and fresh personnel. But the advantageous initial situation in Estonia and Slovakia was marred by the complexity of tasks when erecting new structures in public administration and adapting them to European standards. In Poland, the unbroken continuity of the State hampered the exchange of elites in central state administration, despite the change of government in 1989. At the same time, surviving institutions, structures or networks within institutions remained quite influential and were able to strongly oppose reform initiatives.

2. The System of Government

The three covered nations belong to different governmental systems: Estonia's parliamentary democratic system is rare among the post-communist states, Poland and Slovakia are semi-presidential nations¹⁸. In addition, Poland (with the new constitution in 1997) and Slovakia (with the alteration of the constitution in 1999) introduced changes of their systems of government that testify the political will to adopt state foundations that can enhance the capacity of the politico-administrative system. This is particularly relevant regarding the circumscription of the independent Polish presidential power.

The weakness of the party systems clearly affects the day-to-day activities of the executive. Coalition cabinets, mostly in form of a minority government, are in charge of

¹⁷ Here, the *de jure* linkages to the Inter-War independent republics in Estonia and Poland are not relevant when discussing the actual development of central state administration.

¹⁸ See Rüb 2001 Ismayr 2002, (esp. Kipke 2002, Ziemer/ Matthes 2002, Lagerspetz/ Maier 2002)

all the studied countries. Government stability is particularly weak in Poland, because of the frequent diverging votes coming from within the governing coalition.¹⁹

The consequences for the institutional structure of the governmental system as defined by the constitutions and the habits of governmental practices are manifold for the central State ministerial administration in CEEC:

- Coalition governments increase the need for internal co-ordination and provide more insecurity in decision-making, not least for the ministerial administration.
- Strong impact of the president provides ample scope for conflict within central state administration. Again, the necessity for internal co-ordination between the actors is increased and so is the insecurity in decision-making.
- Frequent change of government hampers long-term administrative reform regarding content, structure and staffing.
- Governmental instability limits the scope of the executive to shape policies and to control policy implementation by central administration. This lack of political guidance makes the central State administration in the respective states more independent.

3. Party systems and interest groups

The party systems in all three countries are not yet consolidated. They are marked by fragmentation, low membership, personalisation and, more seriously, lack of analytical and programming capacities. They remain highly polarised with limited success in coalition building (legacies from pre-communist times, but also since 1989)²⁰, which particularly affects reform-oriented government coalitions. Such weakness becomes obvious when considering that almost every government in CEE was unable to maintain its mandate in regular elections.²¹

The polarisation of the party system is one explanation for the over-politicisation of administration and extensive cadre change in the wake of political elections. This phenomenon is especially applicable to Poland. Frequent change of government

¹⁹ More than once, this phenomenon has brought down Polish governments. Last time was in March 2003 when the deputies of the Agrarian Party went against the Law on Street Tolling forwarded by their own government whereas the coalition partner declared the arrangement finished.

²⁰ To the latter case, one example is the political isolation of the party of the former, long-standing Slovak Prime Minister Meciar, HZDS, after losing power in September 1998.

²¹ I.e. the loss of parliamentary seats and, eventually, the dissolution of the formerly leading Polish governmental party AWS in September 2001. The first government to overcome this trend was the Slovak cabinet of Prime Minister Dzurinda in the general elections of September 2002.

definitely weakens ministerial administration. There are attempts to halt this process but, so far, to no avail (f. e. the unsatisfactory implementation of the 1997 Law on Public Service in Poland).

There are fairly strong agricultural interest groups in the studied countries. The third sector has no equal access to ministerial administration. The stronger groups like producer's associations or farmer's unions are consulted by agricultural administration; organisations working on rural development are not. Hence, central actors share identical interests, which hampers structural reforms. High officials in the Ministries of Agriculture often are agricultural producers themselves, or are involved with producers in their regions so that laws and programmes often correspond with the interests of very special groups. The articulation of particular interests is carried out in personal networks more than in professionally organised associations of interests groups or lobby groups working within a legally defined framework.

4. The Role of Parliaments

There is a highly important role assigned to central state administration in the drafting of national policies as well as in the administration of the respective programs. Mostly, legal initiatives in parliament start off in government.

The legislation process is divided in two phases. At first, the ministerial administration takes on the preparation of the draft. The draft is discussed with other relevant ministries, particularly the Ministry of Finance, as well as respective interest groups. Upon approval by the cabinet, the draft is forwarded to parliament. Only at this late stage, parliamentary consultation sets in. The influence of parliament is furthermore limited by strong time constraints, particularly regarding the assumption of EU laws and deficits in information. Laws often are not well prepared by ministerial staff and there is a constant need to change the new laws. Together with the increased workload due to the adoption of the *aquis communautaire* and the overload of parliaments, this causes further delays in legislation.

Other explanatory factors can be derived from the nature of public administration systems. Regardless of the differences in administrative traditions, of actual reform strategies and of political culture, our assessment leads to a number of common problems that hamper the change in central State ministerial administration²².

²² Verheijen 1998: 207ff.

5. The implementation of Civil Service Laws

The creation of a modern civil service was neglected for a long time and subjugated to party-political interests. The necessary legal provisions came late and are in some cases not applied to this day. The above-mentioned politicisation impedes on a badly needed professionalism of the public administration, particularly in Poland. The attractiveness of the public service for young professionals is low. Defection into the private sector or to positions abroad is high because of low remuneration, lack of incentives and rewards for good work as well as too little scope in decision-making. Such dissatisfactory results of civil service reform have various consequences. The widespread lack of personnel competent with subject matter and languages, management qualities and decision-making capabilities is one important reason why many reforms don't go beyond symbolic change. Moreover, underlying practices and norms remain untouched (paternalism, corruption).

6. Mechanisms of co-ordination and control within the executive

Co-ordination within the executive is mainly hierarchical, whereas the horizontal co-ordinating mechanism in ministerial administration seems to be less developed. However, informal links between the acting executives lessen this deficit in institutional networking.

Several of the different control mechanisms are not yet functioning effectively, although the necessary institutions were set up in the last years (for example Central Auditing Authorities). Many tasks in agricultural administration were referred to newly established agencies. However, the formation of efficient means of political and financial control was thereby often neglected.

Conclusion

The paper points out organizational structures of agricultural administration in Estonia, Poland and Slovakia and the problems these administrative institutions face in the process of EU integration. It explores the question, which of these problems are linked to sector-specific explanations and which are not specific to the agricultural sector, but concern the countries' administrative systems in a broader context.

Structures of ministries are similar to those in Western Europe. They differ concerning their complexity, which can be explained by the size of the countries' agricultural

sectors. Ministries are under-funded and, as far as Poland and Estonia are concerned, also understaffed. There, a great deal of implementation work is sourced out to agencies.

In adapting the EU requirements, the administrative institutions face difficulties that can be summed up as follows: a huge amount of CAP regulations, lack of implementation capacities of administrative institutions, need for qualification and training of staff, lack of policy-making capacities and strategic thinking.

Sector-specific explanations, which help to explain why the Polish administration had far more problems to handle the preparation for CAP implementation, are size and structure of the agricultural sector. The degree of fit of national policy instruments is another possible explanatory factor. Here, Estonia faces a difficult task of setting up defined policy instruments and implementing authorities while at the same time having the chance to put up entirely new institutions from scratch.

The studied countries show significant variance concerning the non-sector-specific factors of explanation for adaptation problems. They have rather different political and administrative systems, which has an impact on the administrative institutions of the agricultural sector too. In Estonia, the building of a new nation state along with the overthrow of the Soviet power helped the exchange of elites also in public administration, whereas state continuity in Poland hampered the break with overcome structures and elite networks. The polarisation of the party system has an effect on the politicisation of public administration. A semi-presidential regime with a bipolar power structure increases the potential for political conflict. This, as well as coalition governments, make decisions on long-term administrative reforms much more difficult. Frequent changes of government as in Poland also exert a negative effect on stringent administrative reform.

To conclude, it can be suggested that adaptation to EU requirements is more difficult for agricultural administration than for other branches of administration. Whether agricultural administration is a particularly conservative branch of administration would have to be proved by comparison with other policy fields.

Agricultural administration itself develops heterogeneously. The ministerial departments concerned with EU matters develop faster and recruit younger and better-qualified staff. There are some doubts, whether the same can be said of the agencies

in charge of EU funds management. The Estonian ARIB agency seems to develop towards an "island of excellence", whereas this is doubtful concerning the Polish agencies.

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