

# State of the State in Lithuania

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with

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## **Preface**

This research report is part of a series published by the DEMSTAR program at the Department of Political Science, University of Aarhus, Denmark. Focusing on state and administrative reforms in societies undergoing rapid institutional change, the DEMSTAR Research Report series has three main objectives: (1) to report on empirical work carried out in a number of countries by the DEMSTAR project, (2) to provide comparative overviews of core issues addressed by the program, and (3) to explore wider theoretical perspectives and analyses generated by the central issues of state capacity, state-society relations, and administrative reforms. The present volume addresses the first of these objectives. Empirical in nature, it reports on a specific project involving state elites in Lithuania.

The starting point of the report is that regime changes can happen not only because of changes in the formal regime structure, but also because of major shifts within that formal structure, e.g. in a semi-presidential system as in Lithuania. Lithuania is a pronounced case of an ideologically polarized state experiencing a fundamental shift in 1996, when a majority government from one end of the politico-ideological spectrum was replaced by a majority government from the other end. The Lithuanian semi-presidential system went from a situation resembling presidentialism to one characterized by severe co-habitation problems.

This fundamental systemic change serves as the focal point of the analyses undertaken in this report. Hence, where most international literature compares different states with different types of governance, analyzing and evaluating the consequences for democracy and economic development (Linz, 1990a, 1990b; Lijphart, 1999; Johannsen, 2000; Nørgaard, 2000), this report focuses on different types of governance within one state and the consequences. Examining this topic, three aspects are in focus: (1) the power structure in the political system, (2) the functioning of the administrative system, and (3) the implementation capacity of the state.

The report consists of three sections. The first portrays key features of the Lithuanian political system and the state administration, which serves as background information for the survey. In the second section the three aspects outlined above are investigated. Analyzing the results of the Lithuanian survey, the report arrives at a number of tentative conclusions on the overall topic. These conclusions are to provide the foundation for further analysis and discussion to help pave the way for progress in the field of comparative public administration research. The third and final section consists of appendices and is available on our website, [www.demstar.dk](http://www.demstar.dk). It

contains the English and Lithuanian language questionnaires, and all frequency tables derived from the responses to the questionnaires.

The Lithuanian survey was conducted during the autumn of 2000, when we interviewed 53 former and current ministers of core ministries in post-independent Lithuania. The report is intrinsically comparative as it belongs to a family of equivalent projects undertaken in Armenia, Azerbaijan, Bulgaria, the Czech Republic, Estonia, Georgia, Hungary, Kazakhstan, Kyrgyzstan, Latvia, Moldova, Mongolia, Poland and Slovenia.

## **1. Setting the research agenda**

This section describes key features of the Lithuanian political system and the state administration, providing background information for the survey. Relevant parts of the present context are presented, that is, the political, social, and economic elements that impact the Lithuanian political and administrative system.

Lithuania along with the other two Baltic states, Estonia and Latvia, began the process towards independence in the 1980s. In all three Baltic states people gathered to sing national songs and express their longing for freedom. On 23 August, 1989, the independence movements in the three countries managed to call international attention to the aspirations of the Baltic nations as one million Estonians, Latvians, and Lithuanians holding hands formed a 600 kilometer long human chain from Tallinn to Vilnius. The human chain was the largest political demonstration ever seen in Eastern Europe (Estonian Institute, 2002), a region generally characterized by political apathy and withdrawal, low level of political sophistication and cynicism about political affairs (Barany, 1995: 291f.).

The Lithuanian Communist Party, led by Algirdas Brazauskas, broke away from the Soviet Communist Party in the period preceding independence. This break and the subsequent reform process of the Lithuanian Communist Party, which later became the Democratic Labor Party (DLP), formed the foundation for the popularity of the Communist Party and Algirdas Brazauskas. Consisting largely of Lithuanian members, the party very early on became one of the few communist parties in Central and Eastern Europe (CEE) with primarily non-Russian members.

Lithuania gained independence on 6 September, 1991. The subsequent constitutional struggle was resolved in 1992 with a compromise between the Democratic Labor Party (DLP) and the Sajudis coalition, which had won the country's first open parliamentary elections in 1990. Sajudis had in that period initiated extensive reforms, primarily land reforms, trying to eradicate the Communist legacy. The unpopularity of these reforms gave rise to

an economic crisis and a deterioration of international relations, and the popular Brazauskas and the DLP won the parliamentary elections 1992, gaining a majority of the seats in parliament. Brazauskas was elected Chairman of parliament and acting President of the Republic. On 14 February, 1993, Brazauskas was elected President of the Republic of Lithuania. This meant that the Lithuanian semi-presidential system came to resemble a presidential system, with the DLP in full control of the political process.

The 1996 parliamentary election changed the governmental system fundamentally. The Center-left government was replaced by a conservative majority coalition consisting of the Homeland Union and the Christian Democratic Party. Brazauskas' term as president did not end until 1998, so co-habitation problems surfaced in this two-year period. There were no formal constitutional changes, but the system nevertheless underwent fundamental changes. Lithuania is ideologically polarized and there was on the one hand a radical change of political ideology in the executive power guiding the transition process. On the other, the semi-presidential system went from one resembling presidentialism to one experiencing severe co-habitation problems and political power struggles, the president being on the left wing of the politico-ideological spectrum and the government having a right wing ideology. The question is what kinds of consequences can be ascribed to this fundamental political shift. To answer this basic question, the report investigates the empirical data focusing on three aspects that reflect the fundamental theoretical perspective on which the questionnaire is based:<sup>1</sup> (1) the power structure in the political system, (2) the functioning of the administrative system, and (3) the implementation capacity of the state. First, however, a brief contextual outline with an overview of key facts and figures on Lithuania.

### *1.1. Contextual outline*

Like other fledgling democratic states Lithuania has had to cope with multiple challenges simultaneously – building the institutions of a democratic state, restructuring the economy as a market economy and at the same time transforming social structures and political orientation and interests.

Concerning the establishment of the institutions of a democratic state, as described above, a parliamentary democracy and a semi-presidential system was established. In restructuring the economy, Lithuania opted for a gradual economic reform of the state economy, so that it today is characterized as a mixed capitalist system (Piasecka, 2003: 372). While Lithuania is not as economically prosperous as some of the other CEE countries (see Table 1),

the country has a GDP growth rate approaching six percent annually, and is characterized by substantial economic growth.

On the transformation of social structures and political orientation and interests, Lithuania has had the advantage of a homogenous population. It has not had to deal with large minorities of primarily Russians like the other two Baltic countries in trying to achieve integration of different ethnic groups within the framework of one state. This may be one important reason that, generally speaking, Lithuania has been quite successful concerning nation building. As can be seen in Table 1, Lithuania has a good rating on the Freedom House democracy index. The index ranges from 0 to 7, the former being the optimal democracy score, and Lithuania rates 1.88, slightly ahead of its Baltic neighbours.

Table 1: Economic key indicators for Lithuania and selected countries, 2001 figures

	Estonia	Latvia	Hungary	Lithuania
GDP (constant 1995 US\$ bn)	6.4	6.6	56.4	8.0
GDP growth rate (annual %)	5.0	7.6	3.8	5.8
GDP / capita (constant 1995 US\$)*	4708	2816	5540	2308
GDP / capita growth (annual %)	5.5	8.1	3.1	6.5
Freedom House democratization score**	1.94	1.94	1.81	1.88
Annual FDI (current US mill, stock)	340	170	2103	438
Annual FDI (flow, % of GDP)	9.8	2.3	4.6	3.7
Central government debt (total, % of GDP)	2.7	15.0	-	22.9
Inflation, consumer prices (annual %)	5.7	2.5	9.1	1.2
Unemployment rate (%)	12.6	-	-	16.6

\* Average GDP/capita in the European Monetary Union is 26579 US\$ (1995 prices).

\*\* Freedom House ratings are 2003 figures.

Sources: World Development Indicators 2003, Freedom House Index 2003 and Estonian Statistical Office.

## 2. The power structure in the political system

The following analysis is structured around governmental changes in the Lithuanian system in 1996, the overall focal point, in order to analyze their consequences. As stated in the introduction, Lithuania is a pronounced case of an ideologically polarized state experiencing a fundamental governmental shift from a situation resembling a presidential system to one characterized by co-habitation problems. This section examines the consequences and

investigates the process of decision-making: who the central actors are, the role of the parties, and where decisions are actually made.

2.1. *The most important decision-makers and decision-making fora*

A majority of the ministers indicate that they themselves are the most important decision-makers in their own ministry (see Table 2). This trend is more pronounced among post-1996 ministers. Also, we see a very marked increase in the prime minister’s role after 1996<sup>2</sup>. This increase has come about because a number of other actors have had to relinquish power. Most interestingly, this indicates that the pre-1996 prime minister shared decision-making power with the president, who was a political ally and very popular, while the post-1996 prime minister seems to have succeeded in attaining decision-making power from the president.

The ministries and the cabinet of ministers are likewise recognized as important decision-making fora (Table 3). The post-1996 ministers indicate that the cabinet and the government are gaining importance, potentially at the expense of the cabinet committees, parliament and individual ministries. These findings correspond to the above findings, indicating an increased centralization of the decision-making processes after 1996. If this is indeed the case, it is likely a result of the prime minister’s enhanced need to secure his powerbase vis-à-vis the president – a need that did not exist in the pre-1996 system characterized by peaceful co-habitation between the presidential and parliamentary branches.

Table 2: Most important decision-makers

	Ministers before 1996		Ministers after 1996		Total	
Minister	43.8	(7)	51.9	(14)	48.8	(21)
Vice-Ministers	12.5	(2)	-		4.7	(2)
Prime Minister	6.3	(1)	40.7	(11)	27.9	(12)
President	7.7	(2)	-		4.7	(2)
Ministry staff	6.3	(1)	7.4	(2)	7.0	(3)
Parliament	6.3	(1)	-		2.3	(1)
Ministry Board	6.3	(1)	-		2.3	(1)
Departments of the Ministry	6.3	(1)	-		2.3	(1)
Total	100.0	(16)	100.0	(27)	100.0	(43)

Responses to the question: “Try to rank the most important formal decision-makers affecting decisions in your ministry.” Pct. (N). Using a Fisher’s exact test the difference between pre- and post-1996 ministers is statistically significant at  $\alpha = 0.05$  level (two-sided).

Table 3: Most important fora for decision-making

	Ministers before 1996		Ministers after 1996		Total	
Ministry	64.3	(9)	38.5	(10)	47.5	(19)
Cabinet	7.1	(1)	26.9	(7)	20.0	(8)
Government	7.1	(1)	19.2	(5)	15.0	(6)
Committees of the Cabinet	7.1	(1)	-		2.5	(1)
Parliamentary Committees	7.5	(1)	-		2.5	(1)
Prime Minister	-		7.7	(2)	5.0	(2)
Council of Ministers	-		3.8	(1)	2.5	(1)
Parliament	7.1	(1)	-		2.5	(1)
Other	-		3.8	(1)	2.5	(1)
Total	100	(22)	100	(26)	100	(40)

Responses to the question: "Try to rank the following fora with regard to decision-making of relevance for your ministry". Pct. (N).

However, it is necessary to ascertain not only which formal fora and decision-makers are important, but also whether these formal fora and formalized procedures are of primary relevance compared to informal procedures and gatherings. The respondents' replies about the de facto decision-making procedures indicate that the formal fora are indeed the most important. Hence, it is characteristic when one respondent, asked about important decision-making fora, says: "I cannot recall any informal ones, as they were not very important". Nevertheless, respondents did in a few cases reveal that informal procedures have had an impact. For instance, one respondent says that the most influential fora were: "Informal parties in saunas, hunting; we managed to avoid big influence through those gatherings".

Concerning who they consider to be the most influential Lithuanian political players, the ministers point to a range of politicians. Individual political party leaders are mentioned most frequently as influential political actors. Here, Vytautas Landsbergis (head of state 1990-92, founder and leader of the Liberation Movement Sajudis) and Algirdas Brazauskas (leader of the Lithuanian Democratic Labor Party, DLP) top the list both before and after independence. They are by far the two persons most frequently mentioned both by pre- and post-1996 ministers. Besides these two individual actors, political movements and parties such as the Sajudis, the DLP and the Homeland Union seem to be influential actors. Finally, political institutions such as parliament and the prime minister are mentioned frequently. These findings indicate that while e.g. banking institutions and a few interest

groups are mentioned as influential, it is in the political system and among political actors that the most important political players are to be found. This is reassuring from a democratic point of view.

## *2.2. Role of the Ministries*

Lithuania has faced an immense need for new policies, trying to avoid relying on Soviet legislation or outdated laws and regulations stemming from the brief period of Lithuanian independence between the two world wars. This need for new policies is likely to explain that a primary task of the ministries is to generate new policy; more than three fourths of the ministers say they initiate many new policies, while around ninety percent say that they initiate many or some new policies (see Table 1 in the appendix). Here we found no difference between ministers before and after 1996, showing that the need for policy initiatives has not been reduced significantly during the nineties.

Moreover, a great majority, more than 85 percent of the ministers, find that the legislation initiated by their ministry is specific rather than general in character (see Table 2 in the appendix). Pre-1996 ministers actually seem to have initiated more general legislation than their post-1996 colleagues, indicating that the post-1996 ministers have not been less preoccupied with day-to-day problems than their predecessors. Thus, it seems that it is primarily the prime minister (and before 1996 also the president), who sets the overall political course, to the extent that this task is dealt with domestically. This finding is not surprising because day-to-day modernization in a transition leaves little time and resources for general policies. There is a common lack of strategic thinking in CEE countries in that they tend to focus on day-to-day administration instead of long-term planning and development. This is partly because they want to live up to the EU-accession criteria and therefore prioritize measures aimed at meeting these criteria in the shortest possible period of time.

The ministry of finance seems to have attained an increasingly influential role in Lithuania. While a majority of the pre-1996 ministers point to this ministry as the core ministry in terms of influence on decision-making in other ministries, almost all post-1996 respondents consider it the core ministry (see Table 4). This may be another indication that centralization has indeed taken place after 1996, and that the ministry of finance has become the centre of coordination. The comments indicate that the influence primarily stems from the power of the purse in connection with policy proposals, but that it also effectively influences the substance of policies using this lever. As one

respondent says, “unfortunately, no project could go through without a yes from the Ministry of Finance; it would block them”.

Table 4. Core ministry influencing decision-making in other ministries

	Ministers before 1996		Ministers after 1996		Total	
Ministry of Finance	75.0	(12)	96.2	(25)	88.1	(37)
Ministry of Justice	12.5	(2)	-	-	4.8	(2)
Ministry of Economics	12.5	(2)	-	-	4.8	(2)
Minister of Foreign Affairs	-	-	3.8	(1)	2.4	(1)
Total	100.0	(16)	100.0	(25)	100.0	(42)

Responses to the question: “Which ministry do you consider to be the core ministry in terms of influence on decision-making in other ministries?”. Pct. (N).

Using a Fisher’s exact test the difference between pre- and post-1996 ministers is statistically significant at the 0.05 level (two-sided).

Concerning how to solve policy problems the ministers generally show a democratic attitude. Very few respondents try to solve problems outside the democratic process by relying on, for instance, administrative measures regardless of the current legislation (Table 5).

Table 5. Means to solve policy problems

Solve problems by...	Ministers before 1996		Ministers after 1996		Total	
Administrative measures	6.3	(1)	7.4	(2)	7.0	(3)
Simultaneously initiate administrative measures and revision of legislation	43.8	(7)	29.6	(8)	34.9	(15)
Initiate revision of legislation	50.0	(8)	59.3	(16)	55.8	(24)
Other	-	-	3.7	(1)	2.3	(1)
Total	100	(16)	100	(27)	100	(43)

Responses to the question: “If solutions to problems are prevented by current legislation, what do you believe to have been the general response in various ministries?”. Pct. (N).

The rest invoke the democratic channels to change problematic legislation, either as the sole means or while initiating administrative measures. There is a slight difference between the pre- and post-1996 ministers in that the latter seem less inclined to take action before the legislation has been changed. This pattern corresponds to what we expected, given that the pre-1996 ministers

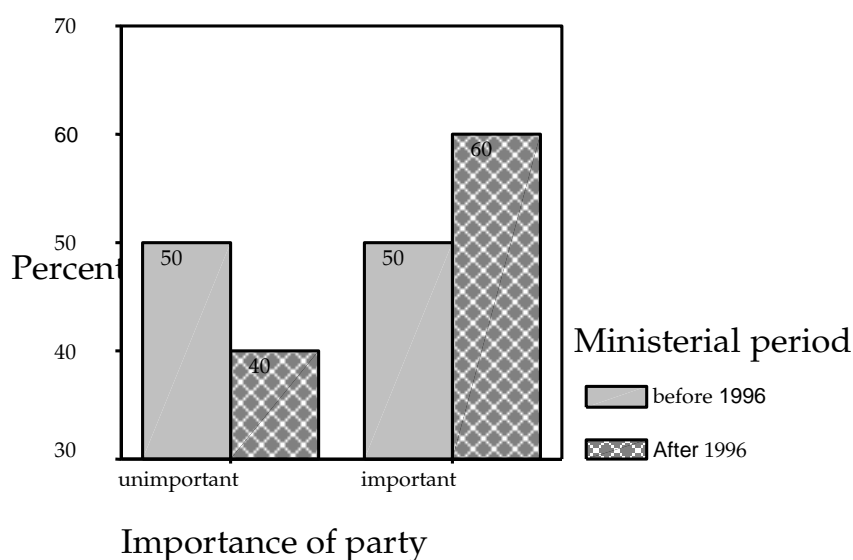
were more overwhelmed than their post-1996 colleagues by all sorts of problems that they have had to cope with one way or other (Pedersen & Johannsen, 2003). This difference may be due to the difference in time. It is not possible to say whether it is linked to regime change.

### *2.3. Importance of parties in the process of decision-making*

As demonstrated in Figure 1 the importance of political parties in the decision-making process appears to be increasing. A majority of post-1996 ministers say that parties are important for government decision-making. Furthermore, when looking at the individual parties there seems to be a difference in the importance attributed to party membership. Not surprisingly, more party members than non-party members ascribe importance to the parties (Table 6). More interestingly, however, 91 percent of the ministers who are members of the post-1996 conservative coalition (the Homeland Union and the Christian Democratic Party, see Table 7) say that the party is important, while only about 40 percent of ministers from other parties find that party is important for government decision-making.

This finding should be seen in light of the fact that the post-1996 coalition parties were much better organized when they assumed power than the Liberal Democrats were when they came into power. When the latter were in power (1992-1996) and had to deal with problems connected with the transition process, the conservative parties had ample time to create party structures and establish strong party foundations. In contrast, the Liberal Democratic Party did not have a 'real' party structure, but rather resembled a political movement around its charismatic leader Brazauskas and the support of people gathered to help on an ad-hoc basis, e.g. in election times. This difference in party structure was one of the reasons that the conservatives won the 1996 election, and it helped expose the value of political organizations. This initiated a positive process in which the Lithuanian political parties have become very democratic political organizations compared to the political parties in many other CEE countries.

Figure 1: Importance of parties in decision-making



Responses to the question: In your time as minister, how important were your party (for example party leader, meetings, party organizations, party donors) for government decision-making? Pct.

Table 6. Importance of party by party membership of respondent

	Party membership				Total	
	Member		Not member			
Party Important	65	(13)	44	(11)	53	(24)
Party Unimportant	35	(7)	56	(14)	47	(21)

Responses to the question: "In your time as Minister, how important was your party (party leaders, meetings, party organizations, party donors) for government decision-making?" Pct. (N).

Table 7. Importance of party by party membership of respondent

	Party membership				Total	
	Homeland Union – Christian Democratic Party		Other Party			
Party Important	90.9	(10)	42.8	(12)	56.4	(22)
Party Unimportant	9.1	(1)	57.2	(16)	43.6	(17)

Responses to the question: "In your time as Minister, how important was your party (party leaders, meetings, party organizations, and party donors) for government decision-making?" Pct. (N).

Furthermore, the data on the role of parties indicate a development towards greater emphasis on the role of leaders (Figures 2 and 3).<sup>3</sup> Only respondents attributing importance to their party were asked to answer this question; hence the number is very limited. It is therefore impossible to draw any firm conclusions, but the data could indicate a trend towards centralization of decision-making in the hands of the parties, strengthening the party leaders. This renders it a subject for further research to ascertain whether there is indeed a centralization trend within the parties and, as discussed above, also a centralization of decision-making power in the hands of the cabinet and prime minister.

Figure 2. Most important party structures/actors, ministers before 1996. Pct.

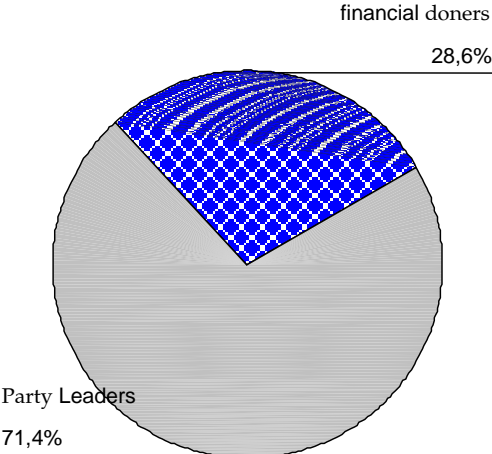
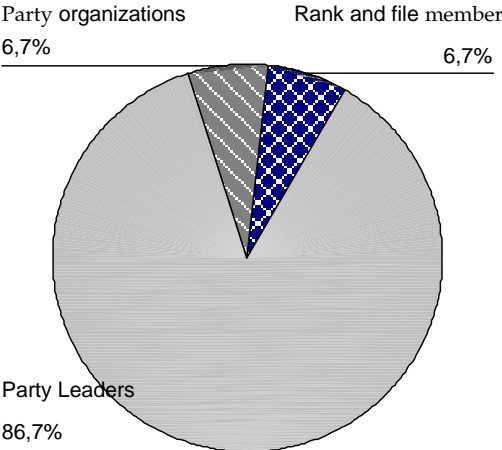


Figure 3. Most important party structures/actors, ministers after 1996. Pct.



## 2.4. *The Influence of Outside Actors*

In the following we examine how often outside pressure is applied, by whom and how the ministers perceive it.

Most of the respondents do from time to time feel pressure from non-governmental actors (Table 8). While there is no difference between pre- and post-1996 ministers concerning the extent of external pressure, the data indicate that the perception of external pressure on policy-makers has changed after the 1996 regime change (Table 9). Post-1996 ministers tend to show a much more positive attitude than their pre-1996 colleagues to the effect of pressure from non-governmental actors. In fact, a majority of the post-1996 ministers perceive pressure from non-governmental actors in Lithuanian politics as an accepted and even beneficial feature.

This is reflected in another set of responses, which reveals that around 90 percent of the respondents see lobbying in a positive light as a channel of information (see appendix tables 27.1 to 27.4). The respondents are much more reluctant to see lobbying as a means to generate support from various groupings, and they are generally aware of the inherent danger for bias and diminished impartiality. In view of the above finding, it is somewhat surprising that there is no difference between the pre- and post-1996 ministers concerning the attitude towards lobbying. However, the data does not indicate changes in the ministers' views on lobbying after 1996.

Table 8. Pressure from non-governmental actors

Attitude to pressure	Minister before 1996		Ministers after 1996		Total	
Often	12.5	(2)	18.5	(5)	16.3	(7)
Often. but not concerning really important issues	12.5	(2)	3.7	(1)	7.0	(3)
Sometimes	31.3	(5)	44.4	(12)	39.5	(17)
Rarely	18.8	(3)	29.6	(8)	25.6	(11)
Never	25.0	(4)	3.7	(1)	11.6	(5)
Total	100.0	(16)	100.0	(27)	100.0	(43)

Responses to the question: "Have you ever felt under pressure from outside actors (non-state organizations, peak level business etc.) to initiate new legislation?" Pct. (N).

The impact of the international system and international actors on domestic Lithuanian developments is generally perceived in a positive light (Table 10). The critical comments are few, but some mention that for example the lack of local knowledge sometimes produced solutions that did not suit Lithuanian circumstances. Further, a few observed that selfish economic motives sometimes guided the 'support' as much as the potential benefit to Lithua-

nia. On the whole, however, a majority considered the influence of foreign actors to be positive. As one respondent says, foreign actors “encourage the Government to implement reforms more decisively with their conclusions and remarks; [they] also strengthen backing for Governments reforms with the Society and Media. They provide technical and financial support for implementing individual projects. These were numerous – establishing the Center for tutoring Judges, establishing and maintaining a crime prevention center”.

Table 9. Attitude to non-domestic pressure

Attitude to pressure	Minister before 1996		Ministers after 1996		Total	
Positive	-	-	36.8	(7)	36.8	(7)
50 / 50	42.9	(3)	42.1	(8)	42.4	(11)
Negative	57.1	(4)	21.1	(4)	30.8	(8)
Total	100.0	(7)	100.0	(19)	100.0	(26)

Responses to the question: “If often, did you feel that this pressure was positive or negative for the country?” Pct. (N).

Using a Fisher’s exact test the difference between pre- and post-1996 ministers is statistically significant at  $\alpha = 0.05$  level (two-sided).

The respondents were asked to name the three most important foreign actors to establish exactly which foreign actors influence the policy-making in the ministries. The results revealed sector specific differences. The ministers of finance and economy named the major international organizations active in Lithuania: the EBRD, the IMF, the EU (and its sub-units), while a few also mentioned the major bilateral actors, USA, Russia, and Germany. The ministers of Interior and Welfare identified the Scandinavian countries as well as more specialized international agencies (WTO, WHO, UNDP), along with specialized agencies of bilateral actors (i.e. city department of Moscow, the Danish Ministry of Agriculture, Swedish healthcare companies). The ministers of foreign affairs pointed to all the major international institutions and bilateral actors (USA, Russia and Germany). Hence, to the extent that international actors have captured the Lithuanian domestic agenda, it appears to be the major bilateral actors (USA, Russia and Germany) that, in conjunction with international organizations, influence the general political and economic agenda. Only in softer policy areas are the smaller neighboring countries (in particular Scandinavia) seen as playing a noteworthy part.

Table 10. Influence of foreign actors

	Ministers before 1996	Ministers after 1996	Total
Always positive	13.3 (2)	11.1 (3)	11.9 (5)
Most cases positive	40.0 (6)	81.5 (22)	66.7 (28)
Rarely	26.7 (4)	7.4 (2)	14.3 (6)
Never	20.0 (3)	- -	7.1 (3)
Total	100.0 (15)	100.0 (27)	100.0 (42)

Responses to the question: "In general, in those cases when foreign actors did have an influence, would you say that their influence on the decisions to be made had a positive effect on the solutions of domestic problems?" Pct. (N).

Using a Fisher's exact test the difference between pre- and post-1996 ministers is statistically significant at  $\alpha = 0.05$  level (two-sided).

### 2.5. Summary

Based on the above analysis a fair assessment would be that the 1996 changes affected the ministerial power structure. Centralization has been increased, and power is to a greater extent concentrated in the hands of the prime minister after 1996. Party leaders also seem to have gained in importance and the data testify to the strength of the right wing party organizations in Lithuania. When it comes to external pressure on government decision-making, outside pressure was applied relatively often both before and after 1996. Pressure is sector specific. Foreign actors wielding influence are in most cases regarded positively. When domestic actors apply pressure, however, there is a marked difference in perception between pre- and post-1996 ministers, where the latter have a much more positive attitude to domestic pressure as beneficial for the country.

## 3. The functioning of the administrative system

### 3.1. The Administrative Legacy

Under communist rule the civil service was dominated by party members, in effect functioning as the executive branch of the communist party. In addition, it functioned as the main channel for upstream information in the political and economic systems at the same time implemented the campaigns dictated from above. Subjugated to the supremacy of the communist party, which de facto controlled all key staffing in the state administration, the bureaucracy was politicized to a point where all middle and higher level officials were obliged to be members of the party (Goetz & Wollmann, 2001:

865; Pecar, 2001: 9ff.; Volgyes, 1995: 10; Stark and Bruszt, 1998: 188ff.). An efficient bureaucrat under communism followed the instructions of the party – not the quests and concerns of society. While technical and administrative efficiency were important qualities on paper, they always came second to political loyalty in practice. Widespread politicization, bribery and corruption were structural characteristics of the civil service system under communism (Verheijen & Rabrenovic, 1999: 7; Brusis, Kempe and van Meurs, 2003: 182).

The administrative system was beset by paternalism and authoritarianism (Volgyes, 1995: 10, 17f., Stark and Bruszt, 1998: 188ff., Benson, 1990). Insiders could make their privileges transferable to families and lateral relatives while they themselves moved easily from party to government, from one directorate to another; “their mobility only constrained by the desires of the higher-level Party authorities” (Volgyes, 1995: 10; Stark and Bruszt, 1998: 188ff.). The bureaucracy (and its people) were distanced from the masses both because of its arbitrary power and a highly privileged style of life where “privileges extended from the use and abuse of power” (Volgyes, 1995: 10, see also 17f.; Stark and Bruszt, 1998: 188ff., Benson, 1990: 94f.).

Over time the administrative system was eroded in terms of effectiveness and efficiency (Benson, 1990: 90f.). There were endless multiplications of bureaucratic jurisdictions: whenever the “grand plan” encountered obstacles, the party created ever more new categories of officialdom to oversee the old ones, leading to a system paralyzed by crises of over-administration as exemplified by the centrally planned economy. It was symptomatic that ‘passing the buck’ became a strategy of bureaucratic survival because responsibility was continuously pushed upwards in order to avoid accusations of “treachery to the proletarian state” (ibid.). Almost all policies were designed within narrow party circles by the political avant-garde, which served as kind of surrogate for the democratic will of the people and took important political decisions. There was a lack of progress in terms of constitutional or administrative prescriptions. Despite the formal bureaucratization, which Weber conceived of as intrinsic to a socialist state, communist administration is not actually rule-bound, as can the party at any given time decide to override routine operations of the system (ibid: 91, 96). Clearly, this system bears little resemblance to the Weberian rational-legal bureaucracy. In fact, the Bolshevik theory and practice is incompatible with the Weberian ideal-type bureaucracy, which requires a separation of political and administrative functions within the state.

Accordingly, Lithuania inherited a civil service system where civil servants were trained to control (rather than interact with) society, paid no

attention to efficiency and transparency, and adhered to a tradition that stressed partiality rather than political neutrality. A central question in relation to our survey is the degree to which these features persist in the attitudes of central decision-makers and civil service appointments, and how much, if at all, the political changes in 1996 altered anything.

To answer this question we focus on the state administration, the most interesting place to investigate this topic as it is the primary forum for policy-making and administering, and therefore assumed to be the primary target for politicians hoping to influence administrative decisions. However, while this report narrows the focus to the state administration, there is no reason to believe that the findings cannot be extended to other levels of government.

### *3.2. The set-up of the Lithuanian civil service system*

Before we proceed to the empirical findings, we briefly explain the rationale behind a Weberian merit-based civil service system, the official aim in Lithuania. We also outline key features of the set-up of the Lithuanian civil service system.

A Weberian system is founded on rational-legal principles. Civil servants are recruited on the basis of merit, and the system is based on a combination of life-long tenure, a fixed salary and guaranteed pension at the end of service. The essence of this form of public administration is the presumed superior quality of civil servants recruited solely on the basis of their merits and the interaction of such qualifications with both economic incentives and norms. The rationale is to provide sufficient incentives for civil servants to concentrate on their official duties as specified by general rules and position in the hierarchy, simultaneously with shielding bureaucracies and civil servants from undue political pressure and from corruption (Christensen, forthcoming: 2, 13).

Lithuania's official aim is to establish a Weberian merit-based civil service system. In the ministerial administration one therefore distinguishes between a political and an administrative level, and officials are accordingly classified as A and B level officials. Vice-ministers are usually political appointees and hold the central mediating posts between the two levels. The distinction between A and B levels varies somewhat between ministries. B level civil servants are officially recruited on merit based on their qualifications according to objective criteria described in the civil service law. According to the regulations only A level officials can be replaced upon changes in government.<sup>4</sup> In the following, we will examine the extent to

which the actual functioning of the administrative system corresponds to this formal set-up.

### *3.3. Politico-Administrative relations*

The ministers do not seem to think that civil servants need to be members of a governing party (Table 11). They perhaps do not want to see yet another nomenklatura.<sup>5</sup> Furthermore, less than 15 percent of the survey respondents indicate that a majority of their top-level staff belong to the governing parties (Table 12). But given the Communist past, where party-membership was almost compulsory if one had ambitions to rise in society, the absence of requirements of formal party-membership is not at all surprising. It does not, however, constitute evidence that the system is not politicized, as civil servants need not be formal party-members to be politicized.

However, an optimistic interpretation is that there is a tacit acknowledgement that the former communist system of partisanship in the professional cadres of the nomenclature does not work in a democratic state, giving rise to the widespread acceptance of political neutrality for civil servants. This interpretation is supported by a reportedly moderate level of staff turnover (Table 13), where politicized countries often experience high turnover rates along with changes of government, even those with a short supply of qualified candidates.

The comments nevertheless show that while there may be broad agreement on this ideal, reality is different. Many respondents say that most replacements took place for "political reasons". One minister openly states that politicization is not merely a leftover from communist times, saying that "the minister of the Conservatives that came after me, he changed about a half of all the personnel, and almost all high-level officials. So, the main reason [for replacement] after my term was not being a member or a donor for the governing party." This quote also indicates that the post-1996 government is no less politicized than the pre-1996 one. Another quote from a post-1996 minister shows that the minister himself believes that the administration has indeed become more politicized: "In the beginning of the 1990s technical advice from civil servants has been more objective; those people did not care so much about political influence... Later on, advisors considered more, who has the power. It is more difficult to get unengaged advice, though there is more information around."

Another finding of interest is that the pre-1996 ministers several times mention one particular reason for replacement which is not at all mentioned by post-1996 ministers, namely that replacements were necessary to avoid "the grip of Soviet way of thinking", as one respondent put it. A pre-1996

respondent explains that “the people with the old thinking were not always good enough at understanding market economy.” It seems that in the nineties, the problem caused by this Soviet way of thinking has diminished, because no post-1996 minister points to this phenomenon as a reason for staff replacements.

Table 11. Attitude to officials’ membership of governing party

Strongly agree	-	(0)
Agree	1.9	(1)
Disagree	42.9	(21)
Strongly disagree	49.0	(24)
Of no significance	6.1	(3)
Total	100.0	(49)

Responses to the question: “Do you agree that it is better if civil servants are members of a governing coalition party?” Pct. (N).

Table 12. Top level officials’ membership of governing party

More than two thirds	5.8	(3)
About half	13.2	(7)
Less than half	38.5	(20)
None	38.5	(20)
Do not know	3.8	(2)
Total	100.0	(52)

Responses to the question: “In your time as minister how many of your top officials (Deputy ministers, Assistants, Advisers, Press Secretary, Parliamentary Secretary, State Minister) were members of a governing coalition party?” Pct. (N).

Table 13. Replacement of staff in ministries

Most	-	(0)
About half	-	(0)
Less than half	65.4	(34)
None	32.7	(17)
Do not know	1.9	(1)
Total	100.0	(52)

Responses to the question: “In general how many of the ordinary administrative staff are/were replaced when a new minister from another party appears/-ed in the ministry?” Pct. (N).

Table 14 shows the proportion of ministers who prefer to appoint their own civil servants; more than 80 percent. The responses of ministers before and after 1996 makes it clear that this attitude has changed only slightly over the years. Approximately 78 percent of post-1996 ministers would prefer to have this authority, compared to 94 percent of their pre-1996 colleagues. This again indicates that while the ministers in general – at least according to themselves – value qualifications and competence, they nevertheless prefer to control nominations. This strong wish for self-determination may indicate that even if outright partisanship is in most cases not found, the old emphasis on loyalty persists. This is supported by comments to the questionnaire referring to teams consisting of “good old friends.”

Table 14. Attitude to appointment of officials

Attitude to appointment	Ministers before 1996		Ministers after 1996		Total	
Strongly Agree	50.0	(8)	40.7	(11)	44.2	(19)
Agree	43.8	(7)	37.0	(10)	39.5	(17)
Disagree	6.3	(1)	14.8	(4)	11.6	(5)
Strongly disagree	-	-	3.7	(1)	2.3	(1)
Don't know	-	-	3.7	(1)	2.3	(1)
Total	100	(16)	100	(27)	100	(43)

Responses to the question: “In your opinion, is it better when ministers themselves can appoint their officials? Pct. (N).

The above findings indicate that Lithuania has yet to achieve the official ideal of a merit-based civil service system based on Weberian principles. However, it is an inherently difficult task to establish a genuine merit-based civil service system in a country experiencing a number of problems in the transition to democracy. Not only is there an administrative legacy, but also the above mentioned state and nation building tasks as well as more concrete problems like a shortage of qualified candidates for civil service positions.

This means that compromises are sometimes necessary in some areas. One respondent gives an example of a successful compromise when his new vice minister had to be appointed: “according to the coalition treaty, my vice minister had to be from the Christian Democrats. I called their leader and asked him to recommend somebody. He said he did not have any candidates. I said I knew some guy... who was a good specialist, so I asked maybe he could go as a Christian Democrat, as he might even attend church. [The party leader] gave the green light.”

It also seems that development is on the right track. Asked whether the quality of civil servants has improved or declined since 1990 regarding ability to provide advice, there is a significant difference between pre-1996 and post-1996 ministers (Table 15). Only a little more than one third of the pre-1996 ministers find that the quality has improved, while more than 90 percent of the post-1996 ministers find that there have been improvement. This indicates that some of the problems mentioned most frequently by the pre-1996 ministers have been reduced; they mention as the main reasons for decline that the best have left for other jobs either in the private sector or in international organizations.

Table 15. Quality/professionalism of civil servants

	Minister before 1996		Ministers after 1996		Total	
Significant improvement	12.5	(2)	37.5	(9)	27.5	(11)
Some Improvement	25.0	(4)	54.2	(13)	42.5	(17)
No change	18.8	(3)	4.2	(1)	10.0	(4)
Declined	43.8	(7)	4.2	(1)	20.0	(8)
Total	100.0	(16)	100.0	(24)	100.0	(40)

Responses to the question: "Concerning ministries, would you say that the quality of the civil servants has improved or declined since 1990, regarding ability to provide advice?". Pct. (N).

Using a Fisher's exact test the difference between pre- and post-1996 ministers is statistically significant at  $\alpha = 0.05$  level (two-sided).

Furthermore, the ministers in general appear to trust their officials to provide reliable and intelligent information (see appendix, Table 3). The ministers express somewhat different perceptions of what they deem to be the appropriate role for officials. Tables 16 and 17 show that whereas a great majority of all respondents find that officials should advise on technical matters, around one third of the post-1996 ministers do not find it appropriate that officials advise on political strategy. The comments to this question show that those who do not think that officials should provide advice on political strategy point to a need for neutral advice as the main reason for their position on this issue.

Table 16. Officials should advise on technical matters

	Ministers before 1996		Ministers after 1996		Total	
Agree	100.0	(15)	96.2	(25)	97.6	(40)
Disagree	-	-	3.8	(1)	2.4	(1)
Total	100.0	(15)	100.0	(26)	100.0	(41)

Responses to the statement: "Ministerial officials should advice on technical matters". Pct. (N).

Table 17. Officials should advise on political strategy

	Ministers before 1996		Ministers after 1996		Total	
Agree	100.0	(13)	68.0	(17)	78.9	(30)
Disagree	-	-	32.0	(8)	21.1	(8)
Total	100.0	(13)	100.0	(25)	100.0	(38)

Responses to the statement: "Ministerial officials should advice on political strategy". Pct. (N).

Using a Fisher's exact test the difference between pre- and post-1996 ministers is statistically significant at  $\alpha = 0.05$  level (two-sided).

Other findings indicate that the use of external advisors increases in the post-1996 governments (Table 18). Further, Table 19 shows that while academic specialists are the type of external advisors used most frequently, it is especially the importance of political advisors that is increasing. However, whether this is a replacement of or merely a supplement to the partisan structures as channels of information and advice is impossible to say.

Table 18. Use of external advisors in the policymaking process

	Ministers before 1996		Ministers after 1996		Total	
Always	7.1	(1)	11.5	(3)	10.0	(4)
Often	21.4	(3)	50.0	(13)	40.0	(16)
Sometimes, on important issues	50.0	(7)	30.8	(8)	37.5	(15)
Rarely	21.4	(3)	7.7	(2)	12.5	(5)
Total	100.0	(14)	100.0	(26)	100.0	(50)

Responses to the question: "To what extent are external advisors used in policymaking process?". Pct. (N).

Table 19. Other reliable advisors

	Ministers before 1996	Ministers after 1996	Total
Academic Specialists	15	21	36
NGO Specialists	5	16	21
Others	5	5	10
Political Parties	2	1	3
Political Advisors	2	13	15

Note. Responses to the question: "If you needed external advice, who would you prefer to rely on, or have you relied on, to get the information you need: Political advisors? Political Parties? Academic specialists? NGO Specialists?". Multiple answers. (N).

### 3.4. *Misuse of status position and illegal activities*

When asked about illegal activities in their own or other ministries the responses indicate that this phenomenon has become more prevalent among post-1996 ministers, as depicted in Table 20. However, another explanation for the pattern is that it has simply become more difficult to hide illegal activities. This latter explanation is supported by the fact that the number of reported attempts to bribe ministers is significantly higher for pre-1996 ministers, indicating that this phenomenon, an illegal activity per se, has diminished (Table 21).

While Lithuania may be coming to grips with illegal activities, the country's rating concerning corruption is nevertheless not good and has not improved on an international scale. According to Transparency International's Corruption Perceptions Index 2003 Lithuania has gone from 36th place in 2002 to 41st place in 2003 with a rating of 4.7. The index ranges from zero to ten, zero denoting absolute corruption and ten complete absence of corruption. Lithuania still has a rating below 5, which is considered the dividing line between countries with low corruption and those said to experience serious corruption problems (Transparency International, 2003). In line with this rating, one respondent says in the comments that "stolen funds" is the most common financial source of his party, specifying this as: "from privatization or otherwise, corruption – private business give means in order to secure that the 'right' decisions are being made" .

Table 20. Knowledge of illegal activities

	Minister before 1996		Ministers after 1996		Total	
Yes, in my own and/or other ministries	33.3	(5)	57.7	(15)	48.8	(20)
No, but I assume so	53.3	(8)	30.8	(8)	39.0	(16)
No, not at all	13.3	(2)	15.5	(3)	12.2	(5)
Total	100.0	(15)	100.0	(26)	100.0	(41)

Response to the question: "In your time as minister did you obtain any knowledge about people engaged in irregular activities on the governmental level?". Pct. (N).

Table 21. Attempts to bribe

	Minister before 1996		Ministers after 1996		Total	
Often	6.7	(1)	-	-	2.4	(1)
Sometimes	20.0	(3)	14.8	(4)	16.7	(7)
A few times	46.7	(7)	18.5	(5)	26.6	(12)
Never	26.7	(4)	66.7	(18)	52.4	(22)
Total	100.0	(15)	100.0	(27)	100.0	(42)

Response to the question: "During your time in office, did you experience attempts to bribe you into favoring specific groups or individuals?" Pct. (N).

Using a Fisher's exact test the difference between pre- and post-1996 ministers is statistically significant at  $\alpha = 0.05$  level (two-sided).

### 3.5. The Lithuanian data in a comparative CEE perspective

Comparing the Lithuanian data with that of other post-communist CEE countries reveals that Lithuania is not unique in assigning great importance to the minister's right to appoint civil servants (Table 22 shows data on selected CEE countries). While slightly more Lithuanian respondents assign importance to this right than in the other two Baltic countries, Lithuania is in line with other CEE – and future EU – countries such as Hungary and Slovenia.

Another interesting variable (Table 23) shows an estimate of the level of irregular activities on governmental level. A high level of irregular activities indicates that rules, regulations and monitoring are not very effective in guiding the actions of individual politicians and civil servants. The table shows that almost half of the Lithuanian respondents have obtained knowledge about persons engaged in irregular activities either in their own or other ministries. Comparatively speaking this is a high percentage, but not

out of line with other CEE countries such as Slovenia and Hungary. It is interesting that the question actually measures the respondents' knowledge of irregular activities as well as hearsay. It is, of course, debatable whether the respondents interpret "irregular activities" in the same manner, but all respondents presumably interpret it as an improper activity.

Finally, we decided to compare the data concerning misuse of status position (Table 24). Our data show that 80 percent of the Lithuanian respondents find that misuse of status position is common in Lithuanian politics. This is a high percentage compared to what we have found in other countries. Lithuanians actually report more misuse than their Baltic neighbors, the Slovenians, the Hungarians, and the Poles. As there are no indications that Lithuanians in general should be more honest and willing to admit misuse of status position than ministers from other CEE countries, the obvious reason may be the correct one, namely that Lithuania is in fact experiencing more misuse of status position than its neighbours.

Table 22. Attitude to appointment of officials, comparative

	Slovenia		Estonia		Latvia		Lithuania		Hungary		Poland	
Strongly agree	33.3	(17)	6.1	(3)	6.1	(3)	39.2	(20)	15.2	(5)	33.3	(12)
Agree	39.2	(20)	51.0	(25)	40.8	(20)	45.1	(23)	57.6	(19)	41.7	(15)
Disagree	15.7	(8)	36.7	(18)	38.8	(19)	11.8	(6)	12.1	(4)	16.7	(6)
Strongly disagree	7.8	(4)	2.0	(1)	14.3	(7)	2.0	(1)	15.2	(5)	8.3	(3)
Do not know	3.9	(2)	4.1	(2)	-	(0)	2.0	(1)	-	(0)	-	(0)
Total	100.0	(51)	100.0	(49)	100.0	(49)	100.0	(51)	100.0	(33)	100.0	(36)

Responses to the question: "In your opinion, it is better if the ministers/heads of departments themselves can appoint their officials?" Pct. (N).

Table 23. Irregular activities on the governmental level, comparative

	Slovenia		Estonia		Latvia		Lithuania		Hungary		Poland	
Yes, in my own ministry	17.6	(9)	12.0	(6)	18.4	(9)	33.3	(17)	28.1	(9)	8.6	(3)
Yes, in other ministries	29.4	(15)	8.0	(4)	10.2	(5)	13.7	(7)	12.5	(4)	17.1	(6)
No, but I assume so	25.5	(13)	46.0	(23)	57.1	(28)	37.7	(19)	18.8	(6)	8.6	(3)
No, not at all	27.4	(14)	34.0	(17)	14.3	(7)	15.7	(8)	40.6	(13)	65.7	(23)
Total	100.0	(51)	100.0	(50)	100.0	(49)	100.0	(51)	100.0	(32)	100.0	(35)

Responses to the question: "During your time in office, did you obtain any knowledge about persons engaged in irregular activities on the governmental level?" Pct. (N).

Table 24. Misuse of status position in politics, comparative

	Slovenia		Estonia		Latvia		Lithuania		Hungary		Poland	
Strongly agree	9.8	(5)	8.0	(4)	15.7	(8)	10.2	(5)	0.0	(0)	2.9	(1)
Agree	35.3	(18)	20.0	(10)	56.9	(29)	69.4	(34)	38.2	(13)	14.3	(5)
Disagree	39.2	(20)	60.0	(30)	23.5	(12)	14.7	(7)	38.2	(13)	34.3	(12)
Strongly disagree	9.8	(5)	10.0	(5)	2.0	(1)	2.0	(1)	20.6	(7)	45.7	(16)
Do not know	5.9	(3)	2.0	(1)	2.0	(1)	4.1	(2)	2.9	(1)	2.9	(1)
Total	100.0	(51)	100.0	(50)	100.0	(51)	100.0	(49)	100.0	(34)	100.0	(35)

Responses to the question: "Do you agree that misuse of status is common in [x-country] politics?" Pct. (N).

### 3.6. Summary

While Lithuania has achieved a lot on its way to establishing a Weberian civil service system, there is still a long way to go before the communist legacy has been obliterated. Thus, a majority of the ministers (both pre- and post-1996) prefer to appoint members of the administration themselves. This opens up an avenue for nepotism, or political replacements, where jobs can be traded and/or used as rewards of political allies, friends and financial supporters. The data also show that relatively speaking Lithuania has severe problems with misuse of status position and corruption. The positive element in our findings is, however, that using 1996 as point of departure for a comparison, the development appears to be heading in the right direction.

### 4. Implementation capacity of the state

In this final section of the report we investigate various aspects of policy implementation. Politicians with democratic attitudes to the policy-making process who produce policies based on good intentions are not enough if the policies are not implemented. The outcome would then be no different than before and have no consequences in everyday life.

### 4. Types of Implementation obstacles

Lack of resources is the most frequent implementation obstacle and practically all respondents have experienced this problem (Table 25). Given the strain on the financial resources in a state undergoing transition this is not surprising. More interesting, however, is that lack of coordination and information is the second most frequently mentioned implementation problem, and it is more pronounced among post-1996 ministers than among their pre-1996 colleagues. Hence, it seems that while an increased centralization has taken place, as described in section 2 in this report, coordination and information in relation to the implementation of policies have not improved.

Insufficient staff motivation and lack of understanding and agreement on objectives are also frequently mentioned implementation problems. State implementation capacity therefore stands to gain from extending the increased centralization in decision-making procedures into the implementation phase if this leads to better coordination, information and agreement among the involved actors.

Table 25. Implementation obstacles

	Ministers before 1996		Ministers after 1996		Total	
Inadequate resources (time and finances)	93.8	(15)	96.3	(26)	95.3	(41)
Lack of co-ordination and information	56.3	(9)	70.4	(19)	65.1	(28)
Insufficient staff motivation	56.3	(9)	48.1	(13)	51.2	(22)
Lack of understanding and agreement on objectives	43.8	(7)	55.6	(15)	51.2	(22)
Lack of monitoring and evaluation activity	68.8	(11)	37.0	(10)	48.8	(21)
Outside interference in the program	25.0	(4)	44.4	(12)	37.2	(16)
Tasks were insufficiently specified	37.5	(6)	33.3	(9)	34.9	(15)
Poor policy design	31.3	(5)	14.8	(4)	20.9	(9)
Total (N)		(16)		(27)		(43)

Responses to the question: "Some people claim that there are many obstacles to implementing policy effectively and efficiently. Have you experienced obstacles such as...?" Pct. (N) responding 'yes'. Multiple answers.

#### 4.1. Number of implementation obstacles

We found no significant difference in the number of implementation difficulties experienced by pre- and post-1996 ministers (Table 26). It is notable that the ministers have encountered a very high number of implementation problems; on average, ministers have experienced 4 types (mean 4.1) of implementation problems. Also comparatively speaking this is remarkable (Figure 4). It is the highest number of implementation problems reported in our comparative survey, matched only by Slovenia. However, the comparative data show a pattern where the least developed countries, such as the Caucasian countries (see e.g. democratization, rule of law and economic liberalization scores according to Freedom House, 2003), report the lowest

number of implementation problems. The data may therefore reveal more openness or a greater awareness of the problems associated with implementation rather of just the number of problems. It should be kept in mind that in EU-candidate countries the EU has repeatedly pointed to issues associated with policy implementation that needed to be addressed in order to close the different chapters in the *Acquis Communautaire*.

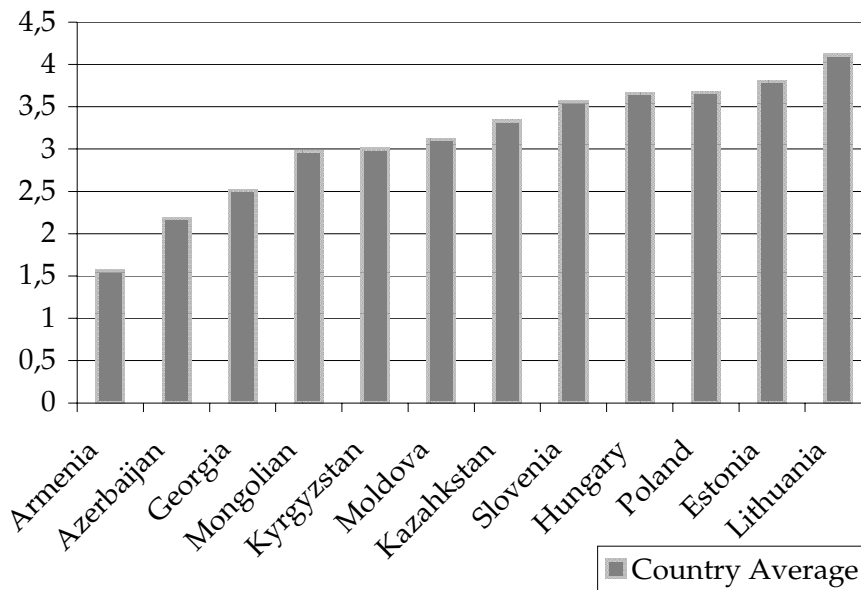
This line of reasoning corresponds very well with the chronological order in which a transition country deals with its problems; initial emphasis is on legislative drafting and decision-making proposals, whereas implementation is a step further on. The problems associated with implementation may therefore not really have surfaced yet in the least developed countries. Speaking of the periodic factor, the data indicate that Lithuania has entered the final phase where the number of implementation problems has been reduced (Table 26).

Table 26. No. of implementation problems encountered

No. of problems	Minister before 1996		Ministers after 1996		Total	
0	-	-	-	-	-	-
1	18.8	(3)	3.7	(1)	9.3	(4)
2	6.3	(1)	14.8	(4)	11.6	(5)
3	12.5	(2)	22.2	(6)	18.6	(8)
4	12.5	(2)	25.9	(7)	20.9	(9)
5	25.0	(4)	14.8	(4)	18.6	(8)
6	12.5	(2)	11.1	(3)	11.6	(5)
7	6.3	(1)	3.7	(1)	4.7	(2)
8	6.3	(1)	3.7	(1)	4.7	(2)
Total	100.0	(16)	100.0	(27)	100.0	(43)

Responses to the question: "Some people claim that there are many obstacles to have a policy implemented effectively and efficiently. I am now going to read out some of these obstacles. Please specify whether you have experienced these in your ministry." Pct. (N).

Figure 4. No. of implementation problems encountered, comparative

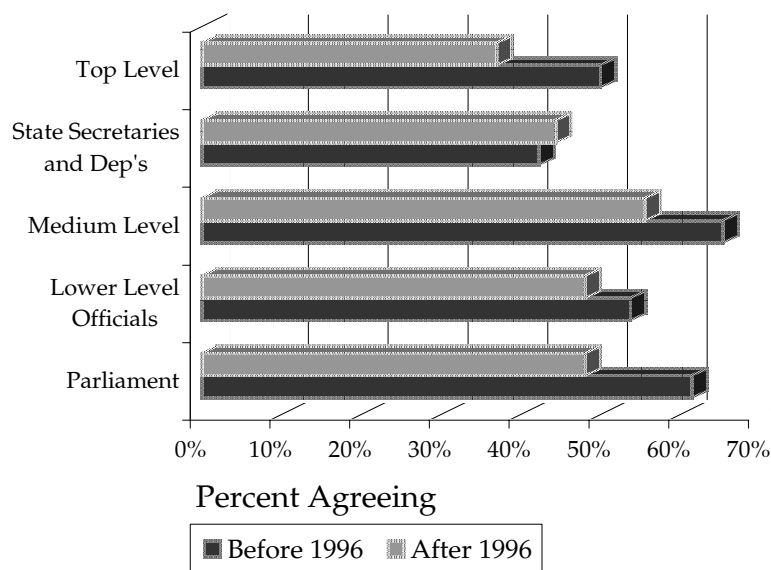


#### 4.3. Implementation Capacity

As stated above (Table 24), the respondents reveal a deep mistrust in their fellow ministers, 80 percent saying that they believe misuse is common in Lithuanian politics. This finding is interesting in relation to state implementation capacity as a high level of misuse indicates that actors are not pursuing the aims they are supposed to. Further, high levels of misuse and irregular activities in general imply that rules, regulations and monitoring are not effective. They are signs that the policies, rules and regulations are not implemented in such a way that they have the intended effect.

Elaborating on the subject of misuse of status position, we asked at which levels of government misuse is most frequent. There appears to be general agreement that this phenomenon is widespread and pervades all levels of government. As shown in Figure 5, around 40 percent of all respondents admit that it takes place at top level, i.e. among ministers. But corruption is still seen as more widespread on the lower levels of the state – over 50 percent of the ministers indicate that it occurs among medium and lower level officials. Furthermore, it should be mentioned that pre- and post-1996 ministers report different levels of misuse of position (Table 27). The post-1996 ministers agree less strongly to the statement that misuse is common and a number of them even disagree with the statement. Again, while the data indicate that Lithuania still has a long way to go, developments seem to be going in the right direction.

Figure 5. Perception of Misuse at Different Levels of Government. Pct.



Note: Responses to the question: "At which level of government do you think that the phenomenon of misuse is most common?" (In percent of answers in the affirmative, multiple marks allowed).

Table 27. Misuse of status position in Lithuanian politics

	Minister before 1996		Ministers after 1996		Total	
Strongly agree	31.3	(5)	-	-	12.2	(5)
Agree	56.3	(9)	72.0	(18)	65.9	(27)
Disagree	12.5	(2)	16.0	(4)	14.6	(6)
Strongly disagree	-	-	4.0	(1)	2.4	(1)
Do not know	-	-	8.0	(2)	4.9	(2)
Total	100.0	(16)	100.0	(25)	100.0	(41)

Responses to the question: "Do you agree that misuse of status is common in Lithuanian politics?". Pct. (N).

Using a Fisher's exact test the difference between pre- and post-1996 ministers is statistically significant at  $\alpha = 0.05$  level (two-sided).

Moreover, a majority of the ministers expressed confidence that their staff would implement decisions made in the ministry as intended (Table 28). However, this confidence decreases slightly among post-1996 ministers supporting the above finding that the country has yet to enter the stage where the number of implementation problems has decreased and implementation capacity correspondingly increased.

In line with this, a majority of the ministers believe that non-state actors can escape regulatory measures, also implying enforcement problems (Table 29). This pattern is consistent across all types of ministries. However, somewhat at odds with the finding that the post-1996 ministers think less of their staffs' loyalty and ability to implement decisions as intended, the problems of actors escaping regulatory measures are reported to be diminishing after the 1996-change of government.

Table 28. Trust in officials, implementation

	Ministers before 1996		Ministers after 1996		Total	
Yes	68.8	(11)	58.3	(14)	62.5	(25)
No	31.3	(5)	41.7	(10)	37.5	(15)
Total	100.0	(16)	100.0	(24)	100.0	(40)

Responses to the question: "Were you generally confident that decisions made in your ministry would be implemented as intended by your staff?" Pct. (N).

Table 29. Attitude to possibility of failure in implementation

	Ministers before 1996		Ministers after 1996		Total	
Regulatory measures can be avoided	43.8	(7)	38.4	(10)	40.4	(17)
Regulatory measures cannot be avoided	50.0	(8)	57.7	(15)	54.8	(23)
Do not know	6.3	(1)	3.8	(1)	4.8	(2)
Total	100.0	(16)	100.0	(26)	100.0	(42)

Responses to the statement: "Powerful non-state actors (individuals, organizations, business etc.) can escape regulatory measures directed toward their business?" Pct. (N).

Table 30 shows that the ministers are generally willing to take responsibility for their actions, also when facing difficulties. Even if sometimes it is because, as one respondent says in the comments, "there is no other way out". However, willingness to resume personal responsibility is important because individual ministerial responsibility is a key foundation of parliamentarism. If the minister, and in the last resort the executive, is unwilling to take responsibility, this impedes the functioning of institutions like 'vote of confidence' (and vote of no confidence) in the government and/or individual ministers. Hence, consistent willingness to assume responsibility is important as it reflects the permanence of a democratic culture.

In addition, Table 31 shows a general, although slightly decreasing, positive attitude to involving private business organizations and concerned

interests in the implementation of government policies. There is, of course, a risk of capture inherent when incorporating private business or other concerned interests in the process, which is also the most frequent reason given by those not inclined to include concerned interests. However, the comments to this question show that the ministers generally find that the nature of the task determines whether or not concerned interests or a non-governmental organization (NGO) should be incorporated. One respondent says that “according to the program of Christian democrats, if a task might be implemented better by a NGO than by the State, initiative should be given. In our ministry, that is in the field of logistics and supplies”.

Table 30. Personal responsibility of the ministers

	Ministers before 1996	Ministers after 1996	Total
Yes	86.7 (13)	100.0 (27)	95.2 (40)
No	13.3 (2)	- -	4.8 (2)
Total	100.0 (15)	100.0 (27)	100.0 (42)

Responses to the question: “In cases where the implementation or a policy-program faced difficulties, did you take personal political responsibility?” Pct. (N).

Table 31. Attitude to engage private business in implementation

	Ministers before 1996	Ministers after 1996	Total
Agree	87.6 (14)	74.0 (20)	79.1 (34)
Disagree	12.6 (2)	22.2 (6)	18.6 (8)
Disagree	- -	3.7 (1)	2.3 (1)
Total	100 (16)	100 (27)	100 (43)

Responses to the statement: “To ensure compliance in the process of implementation, it is better when private business organizations or other concerned interests participate as undertakers in the process.” Pct. (N).

Finally, when evaluating implementation capacity over time it is striking that more than seventy percent of the respondents believe that civil servants implemented political decisions better in communist times than they do now (Table 32). This is especially noteworthy given the fact that the communist system was notoriously ineffective and inefficient (Benson, 1990). Fortunately, it appears that the post-1996 ministers to a lesser extent than their pre-1996 colleagues believe that implementation capacity has declined. However, as it is typically more problematic for an administration to find its feet in the beginning of a transition phase, the difference between pre- and post-

1996 ministers is just as likely to be a result of the periodic factor as it is to be a direct consequence of the 1996 regime change.

While the number of respondents saying that implementation efficiency was better under the communist system may seem incredibly high, it is not out of line with other CEE countries, e.g. Hungary and Poland (Table 33). The figures show that the level of efficiency in general in CEE countries has not improved as much since communist times as one might expect, given that these countries are soon to be members of the EU.

Table 32. Implementation efficiency under communism compared to now

	Minister before 1996		Ministers after 1996		Total	
Strongly agree	37.5	(6)	15.4	(4)	23.8	(10)
Agree	50.0	(8)	46.2	(12)	47.6	(20)
Disagree	-	-	23.1	(6)	14.3	(6)
Strongly disagree	-	-	11.5	(3)	7.1	(3)
Do not know	12.5	(2)	3.8	(1)	7.1	(3)
Total	100.0	(16)	100.0	(26)	100.0	(42)

Responses to the question: "In your opinion, did the civil servants implement political decisions more efficiently under the communist system than they do now?" Pct. (N).

Table 33. Implementation efficiency under communism compared to now, CEE

	Slovenia		Estonia		Latvia		Lithuania		Hungary		Poland	
Strongly agree	8.0	(4)	10.0	(5)	11.8	(6)	25.0	(13)	22.9	(8)	26.5	(9)
Agree	32.0	(16)	36.0	(18)	43.1	(22)	48.1	(25)	34.3	(12)	29.4	(10)
Disagree	36.0	(18)	42.0	(21)	27.5	(14)	13.5	(7)	28.6	(10)	17.6	(6)
Strongly disagree	14.0	(7)	8.0	(4)	3.9	(2)	7.7	(4)	5.7	(2)	5.9	(2)
Do not know	10.0	(5)	4.0	(2)	13.7	(7)	5.8	(3)	8.6	(3)	20.6	(7)
Total	100.0	(50)	100.0	(50)	100.0	(51)	100.0	(52)	100.0	(35)	100.0	(34)

Responses to the question: "In your opinion, did the civil servants implement political decisions more efficiently under the communist system than they do now?" Pct. (N).

#### 4.4. Summary

Second to lack of resources, the most frequently mentioned implementation obstacle is lack of coordination and information. Here the post-1996 ministers actually tend to experience lack of coordination and information more often than pre-1996 ministers. This indicates that there may be a difference between the centralization taking place in the policy-formulation

and decision-making phases and in the implementation phase. Further, it is remarkable that the ministers on average have encountered 4 types of implementation problems. This is a very high number, and it is not lower for the post-1996 ministers than for their predecessors. In fact, the data generally did not indicate that Lithuania has entered the phase where implementation problems are beginning to diminish and implementation capacity to increase correspondingly. However, at least the post-1996 ministers, to a lesser extent than the pre-1996 ministers, find that implementation capacity was better in communist times.

## **5. Conclusion**

The findings in this report confirm that there are indeed differences in the attitudes and responses expressed by pre- and post-1996 Lithuanian ministers, and that these differences were to be found in a number of areas. Three aspects were in focus: (1) the power structure in the political system, (2) the functioning of the administrative system, and (3) the implementation capacity of the state. In all areas there were indeed differences on a number of issues, to greater or lesser extent. Concerning the first aspect, the power structure in the ministries, increased centralization was reported after 1996, when power to a greater extent was concentrated in the hands of the prime minister. Moreover, the party leaders seem to have gained in importance, and our data testify to the strength of the Lithuanian right wing party organizations.

On the second aspect, the functioning of the administrative system, Lithuania has yet to reach the goal of establishing a merit-based Weberian civil service system. Misuse of status position and illegal activities flourish, and the ministers generally prefer to appoint members of the administration themselves, thereby aggravating the risks of nepotism and political replacements. The civil service system is still a strange mixture of past institutions, present circumstances, and hope for the future. While our data show that, relatively speaking, Lithuania experiences severe problems with misuse of status position and corruption, the positive element is that using 1996 as point of comparison, developments seem to go in the right direction.

Concerning the third aspect, implementation capacity, the ministers have encountered an average of 4 types of implementation problems. This number is very high, and it is no lower for the post-1996 ministers than for preceding ministers. In fact, the data generally did not indicate that Lithuania has entered a phase where implementation problems have started to diminish and implementation capacity to increase correspondingly. However, there are differences between pre- and post-1996 ministers, for example that the

latter to a lesser extent than the pre-1996 ministers find that the implementation capacity was better in communist times, and they deviate slightly in the types of implementation problems experienced. At least developments are going in the right direction.

However, while the data have revealed differences between the pre- and post-1996 ministers, it is not possible to explain the exact nature of these differences. Fundamental institutional change took place in the political system when the left-wing government was replaced in 1996 by a right-wing government, thereby changing not only the political ideology of the government but also causing the character of the semi-presidential system to change from one resembling a presidential system to one characterized by cohabitation problems. While we can see that this factor may be important, we cannot ascertain whether it is the change of political ideology or the change of the character of the system that has had the greatest effect.

Further, time is another factor that must be taken into account. The time span separating the pre-1996 and the post-1996 ministers potentially influences the empirical results and should be considered as a factor at play. Hence, it is quite plausible that the nature of the problems faced by decision-makers differ according to stage of transition process. Where this issue has been deemed to be of particular importance, either due to theoretical expectations or the nature of the findings per se, it was highlighted in the report. However, a more comprehensive and comparative empirical investigation is necessary to for an in-depth examination of the exact character of the causal mechanisms at play, as a comparative investigation involving data from several countries is the only way to identify the exact character of each individual factor. While the current single-country study does not suffice, we have shown that the area is indeed worth looking into.

## Notes

1. See "State of the State in Kyrgyzstan" on [www.demstar.dk](http://www.demstar.dk) for more information on the theoretical foundation for this line of Demstar research reports.
2. For all tables comparing answers from pre-1996 and post-1996 ministers, the respondents from the period before 1992 are removed. This has been done in order to examine the effect of the 1996-regime change, as the period before 1992 was characterized by power struggles just like the post-1996 period. As such, it would not be possible to examine the difference between the regime types if the pre-1992 respondents were included as pre-1996 data.
3. In a number of cases the party leaders are the ministers themselves. In the 11 parties to which our respondents adhere, our survey includes 7 party leaders; 19 out of 21 party members were either leaders or board members of their respective parties, while they served as ministers.
4. Law on the Officials of the Republic of Lithuania, article 24.
5. The nomenklatura constituted the nucleus of the ruling class. In internal Soviet documents, nomenklatura was identified as "a list of ruling positions as well as a list of men holding these positions and held in reserve for these positions" (Kuvacic, 1993: 7).

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