

# *Explaining Local Self-Government Reorganisation in Croatia: The Garbage Can Model of Decision-Making*

*Mariza Menger*<sup>\*</sup>

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This article examines the case of local self-government reform in Croatia between 1993, when a new system of local self-government was introduced after the country had gained its independence and 2017, when the most recent changes to the system were introduced. In the literature unfavourable reform outcomes are explained either by means of the rational-instrumental perspective or the power and conflict perspective. The aim of the article is to offer an understanding of the reform outcomes by focussing on the preceding processes, adopting the garbage can perspective as an explanatory model. The author argues that reform outcomes are, at least in part, a result of the garbage can model of decision-making. The model emerged because

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<sup>\*</sup> Mariza Menger, PhD, postdoctoral assistant at the Chair of Administrative Science, Faculty of Law, University of Rijeka, Croatia (poslijedoktorandica na Katedri za upravnu znanost Pravnog fakulteta Sveučilišta u Rijeci, Hrvatska, e-mail: mmenger@pravri.hr)

ORCID ID: <https://orcid.org/0000-0002-9627-5249>

changes took place in a turbulent setting characterised by low state administrative capacity.

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## 1. Introduction

Some form of local self-government with guaranteed local autonomy is ubiquitous to all democratic countries. This is because the idea of decentralisation is closely related to the democratic principles of participation and separation of powers, but also because it serves the “technocratic” argument of better problem-solving. In order to achieve better quality of decisions, it is wise to engage actors that are close to the problem – those with contextual knowledge – in the decision-making process. Local governance thus has a dual purpose, both to consolidate democracy and increase the effectiveness of the public administration system as a whole (Holtmann & Rademacher, 2016, p. 287). Achieving these purposes may depend on organisational structure. Governance outcomes are at least in part susceptible to the manipulation of organisational factors: organisational structure, demography, culture, and location (Egeberg, Gornitzka & Trondal, 2016, p. 32).

With that in mind, the aim of this paper is not to explore how different organisational structures affect governance, but rather the focus is on structure as an outcome of organisational reform. The question is: how did local-level governance structures emerge as they did? Or, in other words, how does the process of organisational change affect the final structure? Organisational structure is thus treated as a dependent variable of organisational change. Perspectives on organisational change considered in the paper are the rational-instrumental perspective, the power and conflict perspective, and the garbage can perspective (Egeberg, Gornitzka & Trondal, 2016).

Empirically, the paper discusses the reorganisation of local- and middle-level government structures in Croatia. The relevant time period is between early 1993, when the new Law on Local Self-Government came into effect and 2017, when the last reform of the system took place. Within that timeframe, changes to the system were made almost yearly and the solutions reached have generally been heavily criticised. Changes introduced over the years are deemed to have been “badly improvised”

(Kregar, 1999, p. 146) and the system has been described as “schizophrenic” (Koprić, 2014, p. 12), “controversial” (Koprić, 2015, p. 994), and “absurd” (Blažević, 2016, p. 333).<sup>1</sup>

In the explanation of reform outcomes, two perspectives prevail in the literature on Croatian local self-government reform: the rational-instrumental and the power and conflict perspective. Within the first perspective, reform outcomes are a product of conscious decision-makers. The territorial organisation of local and regional self-government starting in 1993 was conceived in such a way as to ensure the centralist administration of public affairs and this persisted through the years. Though some steps towards decentralisation have been taken, especially since 2000, to this day Croatia continues to be a highly centralised country, because that is what suits the decision-makers. Within the power and conflict perspective, however, it is recognised that different political actors have different interests and goals and that the current organisational structure is the result of the power relations and bargaining processes amongst them.

This paper argues that in addition to the rational-instrumental and power and conflict perspectives, reform outcomes can, at least to some degree, be attributed to the garbage can model of decision-making. The garbage can model of organisational decision-making can offer new and interesting insights with regard to reorganisational efforts at local levels of government in Croatia. The aim of the paper is to offer an understanding of the reform outcomes by focussing on the preceding processes, adopting the garbage can perspective as an explanatory model. In addition, the paper establishes that the garbage can model has taken place in Croatia due to low state administrative capacity and a rapidly changing environment, thus adding theoretical value to garbage can insights.

The paper is structured as follows: the first part lays out the theory behind the garbage can model of decision-making, the second part describes the development of local self-government in Croatia since the 1990s, the third chapter discusses why the reform efforts can in part be seen as a product of garbage can processes, and the final part concludes the paper.

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<sup>1</sup> There are authors whose positions on reform outcomes seem to be less critical. Lozina, for example, holds that some municipalities have undoubtedly prospered under the new system (Lozina, 2004, p. 140).

## 2. Garbage Can Model of Organisational Change

The traditional approach to organisational change assumes a rational-instrumental position, wherein organisational change is an instrument employed by political and administrative leaders to achieve certain goals. This approach assumes both that relevant actors can manipulate different organisational factors in order to achieve a desired objective and that they know how different structural solutions contribute to the realisation of a certain end (Egeberg, Gornitzka & Trondal, 2016, p. 39). The issue here is how to achieve a rational design. Reorganisation will fail if the design is not adjusted to the desired goals, whatever they may be. For instance, in the local government reorganisation setting, if the goal is to establish strong, autonomous, and financially independent municipalities, amalgamation of small municipalities is the rational solution. Hence local government reforms in many European countries in the second half of the 20<sup>th</sup> century were directed towards the amalgamation of previously smaller local units in an effort to make them more financially independent and to ease the financial burden of operating a large administrative system.<sup>2</sup> Through a process of active analytical problem-solving, actors choose amongst alternative design options by using a decision rule that compares alternatives in terms of their expected consequences for goals that have already been established and are known (Egeberg, Gornitzka & Trondal, 2016, p. 39). In light of this perspective, reform fails because decision-makers are not always able to recognise the consequences of their choices. It is thus often recommended that expert knowledge be included in reform design.

The other perspective often employed in explaining reorganisation outcomes is the power and conflict perspective. The starting point is the same as in the case of the rational-instrumental perspective: change is a product of rational actors who have prior preferences and act on the basis of anticipated consequences. The difference here is that the power and conflict perspective recognises that actors have different, conflicting interests attached to organisations and possess different resources to pursue their goals. Thus existing organisational structures are a reflection of different political interests and bargaining processes that have taken place at some

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<sup>2</sup> Sweden, Great Britain, Germany, Austria, Belgium, Denmark, and Norway are some of these countries. France and Switzerland present a rare exception to this trend.

point in time (Egeberg, Gornitzka & Trondal, 2016, p. 40). In light of this perspective, decision-makers seem to be driven by self-interest, politicians want to be re-elected, and bureaucrats want to further their career opportunities (Cohen & Karatzmas, 2016, p. 174). Because the existing organisational structures are a result of previous bargains, every initiative for reorganisation is likely to stir up old conflicts and activate potential veto players (Egeberg, Gornitzka & Trondal, 2016, p. 40).

In contrast to the rational-instrumental and the conflict-oriented perspective, this paper discusses the garbage can model of organisational decision-making as an additional explanation of reorganisation outcomes. This theoretical model was proposed by Cohen, March and Olsen in their seminal article “A Garbage Can Model of Organizational Choice” in 1972 in an effort to explain why dysfunctional organisations persist or “how organizations survive when they do not know what they are doing” (Cohen, March & Olsen, 1972, p. 11). The authors argue that public sector organisations will at times act as organised anarchies, which means that they will have problematic preferences, unclear technology, or fluid participation. At the same time, the organisation is a collection of decision-making situations or choice opportunities which are nothing but garbage cans, into which various kinds of problems and solutions are dumped by participants (Cohen, March & Olsen, 1972, p. 2). Unlike the rational model of decision-making, where the final decision is reached after a careful evaluation of alternatives in the light of preferred goals, in the garbage can model the decision-making process is somewhat dysfunctional. The decision is a result of the interplay between several relatively independent streams within the organisation: problems, solutions, participants, and choice opportunities. Problems refer to the concerns of people, decision-makers, inside or outside the organisation (such as money issues, family, career, and the like). The solution is a product of a participant in the decision-making process. However, it is not always the case that solutions come after a problem has been recognised. Solutions may be looking for problems rather than the other way around. The authors compare this effect to the one brought about by the introduction of a new product to a market: rather than fulfilling a need, it creates a need among consumers. Participants in the decision-making process are characterised by the fact that they are simultaneously engaged in several decision-making processes, they have different obligations, so they “come and go” (Cohen, March & Olsen, 1972, p. 3).

Generally, organisational decision-making is characterised by three types of decisions: decision by resolution, oversight, and flight. Resolution of

problems is the least likely type of decision to be employed in the garbage can situation. This is a decision-making style in line with the traditional, instrumental-rational view of the organisation, where choices resolve problems after they have been worked on for some time. The two other types of decisions prevail: decision-making by oversight and by flight. Oversight occurs when there is a choice opportunity, but decision-makers ignore existing problems when choosing a solution. Whilst such suppression of problems may eliminate a considerable amount of ambiguity, it means that potentially critical issues may remain unresolved for extended periods (Wiesel, Model & Moll, 2011, p. 554). Finally, in some cases choices are unsuccessfully associated with problems for some time, until a choice more attractive/appropriate to the problems comes along. Some problems will then leave the choice opportunity, and it will be possible to reach a decision; however, this does not mean the problems have been solved. This seems to explain the impression that organisations make decisions yet make no progress in resolving the problems that appear to be related to the decisions. (Cohen, March & Olsen, 1972). The garbage can process will rarely result in successful problem resolution because pre-existing and “given” solutions become attached to ill-defined or ambiguous problems (Cohen & Karatzmas, 2016, p. 175).

Whether garbage can features are desirable in organisations or not is debatable. There is a view that, although damaging to the rationality and instrumentality of public decisions, the garbage can model may have its advantages, such as creating a more open and innovative process (Christensen, 2011, p. 227).

According to March and Olsen, reorganisation is especially susceptible to garbage can decision-making: “the general absence of precise rules controlling access makes it likely that reorganizations will become garbage cans, highly contextual combinations of people, choice opportunities, problems and solutions” (March & Olsen, 1983, p. 286). The problem is not so much that politicians and decision-makers act primarily with self-interest in mind, but lies in how to attract their attention. “Presidents, congressional leaders, major interest groups, and higher civil servants are typically too busy to be more than very occasional participants. As a result, reorganization efforts often operate in an attention vacuum with respect to those political figures who are likely to be most supportive” (March & Olsen, 1983, p. 286). Reorganisation thus becomes a competition for a scarce resource: attention. War, scandal, or another crisis will divert decision-makers’ attention away from reorganisation and short-term goals will prevail. Additionally, whilst political leaders and other major political

supporters of reorganisation are hard-pressed to maintain their attention on the issue, less central actors move to the forefront. Because reorganisation involves discussions about institutional goals and long-term planning, it attracts numerous otherwise unoccupied participants and unresolved issues. Reorganisation turns into “an arena for debating a wide range of current concerns and ancient philosophies” (March & Olsen, 1983, p. 286). “Since there are few established rules of relevance and access, reorganizations tend to become collections of solutions looking for problems, ideologies looking for soapboxes, pet projects looking for supporters, and people looking for jobs, reputations or entertainment” (March & Olsen, 1983, p. 286).<sup>3</sup>

The three selected models of organisational change represent ideal types (lenses) whereby reorganisation can be understood. In practice, a complicated interplay of all three models is in place. It exceeds the scope of this paper to establish to what extent the reorganisation process of local self-government system in Croatia should be ascribed to the rational-instrumental, power and conflict, or garbage can perspectives. “Choice opportunities” opened up more than once during the time period under consideration. It is possible that some parts of the reform process could be explained by bargaining processes – actors in pursuance of their narrow goals – but not necessarily other parts. The paper thus points to situations of Croatian reorganisation efforts in the last 25 years that have had garbage can characteristics.

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<sup>3</sup> It is important to note the difference between the power and conflict and the garbage can perspective. In practice, it can be argued that a situation in which actors start out with rational motives, find themselves in the political arena with other stakeholders who have different but equally rational perspectives, and then through side-payments and bargains try to further their goals, can be described as anarchic. However, this is different from a situation of “organized anarchy” as explained by Cohen, March and Olsen. They emphasize the “fluidity of participation”. This means that actors may be rational in their perspective, but their attention is scarce; they are engaged in different (both public and private) decision-making arenas at the same time. Indeed, some decision-makers will benefit from anarchic circumstances but not because they have more power, resources, or skills than others (which is what the power and conflict perspective suggests). In the garbage can model, reorganisation outcome depends on the temporal links between what Cohen, March and Olsen (1972) identify as problems, solutions, participants, and choice opportunities. Anarchic circumstances will benefit those actors that at a certain choice opportunity have their attention on a certain problem or maybe solution (because problems and solutions are interchangeable in the original theory; both can trigger change).

Table 1. *Comparison of perspectives on organisational change*

	Rational-instrumental perspective	Power and conflict perspective	Garbage can perspective
Nature of actors	Rational actors who have prior preferences and act on the basis of anticipated consequences.	Rational actors who have prior preferences and act on the basis of anticipated consequences but who also have different and conflicting interests.	Actors are simultaneously engaged in several decision-making processes, they have different obligations, and they “come and go” in the decision-making arena.
How reorganisation (change) is understood and explained	Relevant actors manipulate different organisational factors in order to achieve a desired objective. Through a process of active analytical problem-solving actors choose amongst alternative design options, using a decision rule that compares alternatives in terms of their expected consequences.	Existing organisational structures are a result of previous bargains amongst actors. Every initiative for reorganisation reopens the bargaining process.	Change is a result of interplay between several relatively independent streams: problems, solutions, participants, and choice opportunities. Links between them are temporal not causal, so depending on their time of arrival in the “garbage can”, any problem can be linked to any solution.
Main challenge of reorganisation	There is a need for expert knowledge, because politicians, in order to make a decision, need to know how different structural solutions contribute to the realisation of a certain end.	Balancing preferences and power relations among actors.	Attracting and retaining decision-makers' attention.

Source: Author based on Egeberg, Gornitzka & Trondal, 2016.

### 3. Overview of Croatian Decentralisation Efforts Since 1990

The well-known notion that reform is constant in public administration seems to especially hold true for the Croatian system of local self-government. After the country gained independence in 1990, the development of the Croatian local self-government system can be roughly divided into two stages, the relevant year being 2000. The current territorial structure was introduced in the midst of war in the beginning of 1993, with almost a third of the state territory under occupation. The first elections under the new system were held in February of 1993. Reform introduced 487 units at the lowest level of government, with a distinction between (418) rural municipalities (*općine*) and (69) urban towns (*gradovi*). At the middle level, 20 counties (*županije*) were established. The country capital, Zagreb, continues to enjoy the dual status of county and town to this day. This was quite a radical departure from the system that used to be in place in the socialist era (1967–1990). The territory of the Socialist Republic of Croatia was divided into 102–114 municipalities at the local level and 10 associations of municipalities (*zajednice općina*) at the middle level of government (Blažević, 2016, p. 329). The political system structure at the local level mimicked that at the central level. The reform introduced a representative council/assembly, a mayor/governor, and an executive committee in all local units.

The system in place during the 1990s came under severe criticism. It was characterised as extremely centralised and politicised (Koprić, Dubajić & Tomić, 2015, p. 478). A major issue was the overly fragmented territorial structure with far too small local units. What was more, the number of towns and municipalities continued to grow throughout the 1990s and 2000s. Additionally, the distinction between towns and municipalities was problematic. Ivanišević argues that the distinction between urban and rural areas, mostly abandoned in Western European countries, can be justified in Croatia because it is a country with a relatively low degree of urbanisation. The problem is that this distinction has not been applied consistently. There was and continues to be a sort of decoupling between legislation and implementation. In reality, the differences between powers vested in towns and those vested in municipalities are insignificant and supervision by county authorities is equally inclusive and intense, so it could be said that their status is equal (Ivanišević, 2003, p. 25). The problem is further aggravated by the constant increase in the number of towns (i.e., as a result of granting town status to previous communes). Koprić

argues that close to one third of towns are not actually urban areas. Out of 128 towns, 55 acquired their status due to a very flexible interpretation of the legislation (Koprić, 2016, p 45).

With regard to middle-level units, counties, in the legislation they were, somewhat unusually, defined as both central government “departmental units” (*područne jedinice*) and “regional self-government units” (*regionalne jedinice*). Each county assembly needed to nominate two representatives to the House of Counties. Until 2001 the Croatian Parliament was bicameral, consisting of the House of Representatives and the House of Counties. Reflecting the territorial composition of the country, the latter had the role of promoting and guarding regional interests; however, in reality, counties mostly acted as “departmental” rather than “regional self-government units” (Ivanišević, 2003, p. 25). During the 1990s, their work mostly focused on state administrative affairs, with the addition of limited coordination and supervision competences over the activities of municipalities and towns. The county governor (*župan*) was the “state representative in the county”. Having been elected by the county assembly, he or she had to be confirmed by the president of Croatia. This led to a crisis in the election of the mayor of Zagreb in 1995.<sup>4</sup> The institution of county governor had some similarities with the earlier institution of prefect in French departments, which was used to ensure state control over local levels of government (Koprić, 2012, p. 2).

Furthermore, counties, promoted as “regions”, did not really coincide with areas of specific historical and cultural identity, and many historical regions were divided into several counties. The artificial division of the island of Pag between two counties is often invoked as an example of the absurdity of the new solution (Blažević, 2016, p. 333). Likewise, two counties (*Zagreb* and *Dubrovačko-Neretvanska*) were composed of geographically unconnected parts. The Dubrovačko-Neretvanska County has remained in this state to this day (Ivanišević, 2003, p. 23). Local democracy processes and institutions were also troublesome: because executive committee members received payment for the function they performed, this was financially draining on already weak municipalities, towns, and counties (Blažević, 2016, pp. 331–336).

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<sup>4</sup> During 1995 and 1996 President Tudman refused to confirm four consecutive mayors elected by the county assembly (Dražen Budiša, Goran Granić, Jozo Radoš, and Ivo Škrabalo) because they were members of the opposition. This contributed to a mass protest that took place in the city in November of 1996. The crisis was not resolved until the subsequent regular elections in 1997 (Šantić, 2014, p. 4).

The second stage of local government development was introduced by the amendments made to the Croatian Constitution in 2000. With the turn of the century and a left-wing coalition in charge, the system was set on a path to decentralisation. Several international legal instruments, which promoted the political, administrative, and financial independence of local authorities were ratified and introduced into the Croatian legal system.<sup>5</sup> A new Law on Local and Regional Self-Government was adopted in 2001 and bicameralism was abolished in the same year. Likewise, starting in 2001, the president no longer needed to confirm county governors. The plan was to achieve decentralisation in four sectors: education, health, social welfare, and fire services. However, only the decentralisation of fire services was somewhat successful (Koprić & Đulabić, 2018, p. 247).

Efforts to achieve decentralisation were lacking because, in spite of initiatives to amalgamate small municipalities, their number was not reduced. The system continued to fragment, which worked against the decentralisation efforts. In 2005 a new category of local units was introduced: large towns (*veliki gradovi*). This status was granted to 17 towns with a population of 35,000 or more. Their scope of affairs was slightly broadened to include maintenance of public roads and issuance of location and building permits as well as other documents in the realm of construction and spatial planning. These had previously used to be county affairs (Koprić, 2016, pp. 47–48).

The number of counties was not reduced either, nor was it adjusted to coincide with natural and historical regions. Some optimistically believed that in time counties would “fade away” because they served no particular purpose: they were far too small to be considered regional units and virtually all local service provision was entrusted to towns and municipalities. On the contrary, however, during the 2000s the counties grew stronger. Smaller towns and municipalities turned out to be severely undercapacitated in terms of financial, human, and organisational resources to organise even elementary services, so the counties took over their role by providing services to citizens in health, education, social welfare, and other areas. First-level units, except for some towns and large municipalities, in effect served only as places of interest articulation without any real capacity or the means to take action. In fact, out of over 550 towns and

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<sup>5</sup> The European Outline Convention on Transfrontier Co-operation between Territorial Communities or Authorities (OG – MU 10/03) was ratified in 2003 and in 2008 the European Charter on Local Self-Government was ratified in its entirety (OG – MU 4/08).

municipalities only 33 were able to undertake tasks that the Constitution had envisioned for them (Koprić, 2014, p. 11).<sup>6</sup>

In November of 2001, Croatia embarked on a long accession process to the EU, which introduced new challenges for local structures. Amongst other things, the EU expected strong middle-level government: large regions with the primary function of promoting and generating economic development. In 2009 and then again in late 2014, the Law on Regional Development was introduced. Relying on the statistical division of the country into two statistical regions – Adriatic Croatia and Coastal Croatia – the law introduced partnership councils in each unit. At the same time, the law introduced the option of larger towns forming urban agglomerations and urban areas, rendering the institutional environment of subnational governance more complex and not necessarily more democratic or effective.

With regard to local political bodies, there has been a tendency to strengthen the position of local mayors and governors. First, in 2009 executive committees were abolished and direct elections of mayor and governor were introduced. Then in 2017 their position was further strengthened in the budget process at the expense of the representative body. Namely, the current legislation enables mayors and governors to manipulate the budgeting process in such a way as to provoke the dissolution of the assembly while they themselves remain in power. The final result is local executives who are virtually untouchable.

The last 25 years of development of local government in Croatia may be viewed as a single, continuous attempt at reorganisation. The general view is that the system in place before Croatian independence, during the socialist era, although lacking in democracy, was much more rational than the current one (Blažević, 2016, p. 341). The view is that the system was given a “bad start” with radical and abrupt reform at the beginning of the 1990s. Changes introduced afterwards have not been successful, except for the promotion of the democratic principles of governance – to some extent.

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<sup>6</sup> Currently (in 2018), there are 34 towns that have undertaken the following decentralised functions: elementary and secondary schooling, social welfare, health care, and fire services (Regulation on the Financing of Decentralized Functions, OG 7/18).

## 4. Garbage Can Model as an Explanation of Local Self-Government Reorganisation Outcomes in Croatia

The outcomes of local government reform initiatives in Croatia since the early 1990s have been well documented in the literature and are usually explained either through the lens of the rational-instrumental perspective or the power and conflict perspective. This paper proposes that the reorganisation outcomes are at least in part the product of the garbage can decision-making process.

In light of the rational-instrumental perspective, decision-makers can and know how to manipulate organisational factors, such as organisational structure, to achieve certain goals. Their goals can be noble, such as the promotion of the democratic principles of governance or enabling better problem-solving, but they can also be selfish. They can act so as to assure their own base interests, money, political patronage, and the like. Whatever the motives are, the assumption is that the reform outcome will be successful if the design is rational and in line with those motives and purposes. With that in mind, the organisational structure of local government may vary from one country to another. If the goal is to have a fairly centralised country with strong central control, the network of local structures will look different than in a system which strives to achieve strong and autonomous municipalities (Ivanišević, 2006, p. 199). In light of this perspective, fragmented territorial division in Croatia may be seen as a consequence of rational choice. It can be argued that Croatia, unlike most European countries in the late 20<sup>th</sup> century, opted for small municipalities in order to foster much needed democracy and local participation after it had emerged from an undemocratic regime (Koprić, 2012, p. 1179). Thus the final design of local government structures reflects the decision-makers' choice to, due to the circumstances, give way to democracy rather than efficiency and effectiveness of the administrative system as a whole. Similarly, the severe centralisation of decision-making, especially in the early years of independence, may be seen as an answer to war and a general state of crisis that requires such a decision-making style (Koprić, 2014, p. 10; Đulabić, 2018, p. 458).<sup>7</sup>

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<sup>7</sup> Koprić, namely, warns that the territorial division introduced in 1993 established a perfectly rational hierarchical system, whereby the central government was overseeing 20 counties, and each county around 24 towns and municipalities. Such territorial division was ideal for centralistic decision-making (Koprić, 2014, p. 10).

Within this perspective it has also been argued that the fragmented territorial structure in the 1990s was a way to assure the dominance of Tudman's centre-right political party: HDZ (the Croatian Democratic Union). The structure was designed so as to assure one-party control in the majority of municipalities, if not all.

This perspective also lies behind the supranational legislation on local self-government Croatia was subjected to throughout the 1990s and 2000s. The majority of legal instruments of the EU and the Council of Europe have been formulated so as to serve as guidance for local decision-makers on goals, values, and purposes to be taken into account when establishing or reorganising local government structures. Many of these have been formulated with young democracies in mind or in light of preparing countries to implement the principles of European administrative space. The underlying position is rational-instrumental and assumes that reform success depends on the actions of the actors. As long as they have the right "mindset", a rational design is obtainable and reform successful.

According to a different line of reasoning, the main obstacles to successful local-level government reform in Croatia are the divergent interests of actors: political parties, local and central government bureaucrats and politicians, local citizens, and others. The established structures reflect the existence of asymmetrical power relations between these actors (Koprić, 1999, p. 606). This reasoning is in line with the power and conflict perspective. The existing local government structure in Croatia is thus a result of previous bargains between actors. Reorganisation processes are challenging because they are likely to stir up old conflicts and activate potential veto players (Egeberg, Gornitzka & Trondal, 2016, p. 40). For example, the regional IDS party (the Istrian Democratic Assembly) was part of the governing coalition (the *Kukuriku* Coalition) in the 2011–2015 parliamentary term and particularly during this period acted as a strong veto player in an attempt at second-tier government reorganisation.

Both the rational-instrumental and the power and conflict perspective are fundamentally similar, because they assume that change is a product of intentionally rational actors. These actors have prior preferences and act on the basis of anticipated consequences (Egeberg, Gornitzka & Trondal, 2016, p. 40). They are expected to have complete insight into the reorganisation processes, full knowledge of the challenges of reform at hand, and few attention problems (Lègreid, Christensen & Rykkja, 2016, p. 24)

In addition to the rational-instrumental and the power and conflict perspectives in explaining the outcomes of local self-government reorganisation in Croatia, a third explanation is possible: the current state is partly a

result of the garbage can process of decision-making. The reform process is characterised by ambiguous goals and unclear preferences, as well as fluid participation.

Considering the first attempt at reorganisation, in the early 90s, the reorganisation actors had a different view of the situation they were facing. Public administration experts argued that local self-government reorganisation constituted a complex reform that should not be rushed, especially in the midst of war, and consequently argued against it (Blažević, 2016). The newly established centre-right government (HDZ), on the other hand, insisted on reform and fragmentation of the system for fear that big municipalities inherited from the socialist era (with an average population of 45,000) could establish themselves as the focal points of a strong opposition and resistance to the central government (Koprić, 2001, p. 65). Additionally, reorganisation had a strong symbolic purpose because the government strived to establish discontinuity with the previous regime at all costs. Namely, the socialist period, in line with official Marxist doctrine, had been characterised by strong local municipalities which provided numerous services. Thus many believed the notion of local decision-making to be a relic of the past that ought to be eradicated. Symbolic features are typical of the garbage can process because symbols are used to make processes appear more rational. At the same time, they add to the complexity and ambiguity of processes (Christensen, 2011, p. 227). Thus different actors envisioned different goals for the system in place and operated on the basis of different interpretations of the problem.

Goal ambiguity is also evident in the efforts to establish middle-level government units. There were several problems as well as solutions “attached” to the reorganisational framework. Decision-makers appeared to have different ideas about the nature of counties. There was no shared view as to whether they should be governmental departments or autonomous self-governing entities. The result was an unusual and ambiguous legislative definition of counties as “units of departmental (regional) self-government” (*jedinice područne (regionalne) samouprave*). To some extent, Šimunović recognises the garbage-can nature of decision-making in the process of establishing middle-level government in Croatia. He argues, in line with the ideas of Cohen, March and Olsen, that a lack of attention was a crucial problem of the decision-makers. Namely, in the early 1990s the decision-makers were preoccupied with establishing Croatia as an independent state; therefore, little to no attention could be devoted to the establishment of regional-level self-government units (Šimunović, 1992, p. 47).

Not only did EU accession bring in a new actor, but new problems and solutions also rushed into the reorganisation arena. All of the post-2000 governments had EU accession at the top of their political agenda and local self-government reorganisation was partially used to serve that goal. This can be seen in the introduction of statistical regions for the purposes of the EU cohesion policy. They exist in parallel to counties, but still do not offer an answer to the problem of inefficient regional actors with insufficient financial, professional, and other capacities. Thus with regard to establishing both local- and middle-level government units, different participants acted upon different definitions of the situation (March & Olsen, 1983, p. 287).

According to Christensen, the garbage can perspective is often used to focus on processes that have special features, such as decisions that take place over a long period of time, are particularly complex or emotive, or are subject to fluctuations and unexpected events (Christensen, 2011, p. 227). This all seems to be the case regarding the reorganisation at hand: it took place over a longer time period and within a fluctuating environment characterised by transition and war during the first years of the reorganisation efforts, and later with the change of the international community and the EU accession process. Additionally, this particular reorganisation took place within a framework of a young or immature set of organisations because having once gained independence, Croatia was faced with the task of establishing its own administrative system. Many administrative tasks had previously been performed by the federal government in Belgrade, such as foreign affairs, customs administration, diplomacy, and the like (Blažević, 2016, p. 272). Such an environment further contributed to the complexity of the reform. The “frantic” outcome of local self-government reform in Croatia, with dysfunctional local- and middle-level units, can thus be explained by taking into consideration the backdrop of the reorganisation efforts and multiple and ever-changing reform goals.

## 5. Conclusion

Efforts at decentralisation in Croatia have been well documented in the literature. The reorganisation outcomes have generally been criticised and there is agreement that the solution in place is inadequate, at least regarding the technical function of local self-government. The main critique is that the first-tier units, especially municipalities, are too small and financially weak to provide public services to citizens and operate effectively. As

for the second-tier units, the counties, even though they were conceived as the country's regions, they are in fact artificially constructed entities which do not coincide with Croatia's natural and historic regions. Even though the Law on Regional Development, enacted under EU pressure, provides governance structures beyond counties (in statistical regions and urban agglomerations and areas) the state still lacks true regionalisation. What is more, these new structures only complicate a system that, due to fragmentation and rural/urban differentiation, is already complex and draining on the state budget. In short, apart from some positive developments with regard to the promotion of the democratic principles of governance, reorganisation seems to have been a failure.

In the current literature on the explanations of reorganisation outcomes, the most often cited perspectives are the instrumental-rational perspective and the power and conflict perspective. This paper proposes that the outcome of the attempts to reorganise the Croatian local self-government system can at least in part be attributed to the garbage can process of decision-making.

Theory argues that reorganisation situations are especially susceptible to garbage can decision-making processes, due to few rules on access and engagement. They attract a plethora of participants and problems, and become opportunities to reopen dormant questions and discuss ideologies, ideas, and personal interests. Frequently proposed solutions have nothing to do with the basic premises upon which the system under reorganisation operates. The impression is that nothing is off-limits and that "anything goes". This kind of situation has been in place throughout the two and a half decades of development of local self-government in Croatia. This was evident prior to the introduction of first post-independence law on local self-government in 1992, during the decentralisation attempts in 2000 and 2001, and in the context of reorganising the middle level of government in the late 2000s. As Croatian reform initiatives progressed, politicians showed little concern for either the technical or the democratic purpose of subnational government and were occupied instead with numerous other questions, using reorganisation as an opportunity to endorse arbitrary solutions.

The paper establishes that some elements of the garbage can model were present due to the low administrative capacity of the state and a rapidly changing environment. Having gained independence, Croatia first faced the challenge of setting up its own administrative system, and many tasks were new for the organisations in place. This was made even harder because the politicians in power aspired to establishing a discontinuity with

the older regime at all costs. In that sense, reorganisation also held a symbolic purpose. Additionally, the reorganisation environment was initially one of war and a general state of crisis, whilst it was later characterised by a changing international context and Croatia being *en route* to EU membership. Not only did accession processes bring new actors to the reorganisation arena, but they also, due to the limited attention span of politicians, gave rise to new problems, which left local self-government reorganisation as a “catch-all” type of answer. In order to further shape the research agenda on theories behind decision-making in turbulent times and immature organisational settings, more comparative studies are needed. It would be particularly useful to compare local reform processes in the countries of the Western Balkans region, due to their shared political history.

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## EXPLAINING LOCAL SELF-GOVERNMENT REORGANISATION IN CROATIA: THE GARBAGE CAN MODEL OF DECISION- MAKING

### Summary

*This article deals with changes to the system of local and regional self-government in Croatia between 2003 and 2017. For the most part, reform efforts, excluding some positive developments with regard to the promotion of the democratic principles of governance, have not been successful. The article addresses the question of how to theoretically account for these changes. The aim is to offer an understanding of reform failure by focussing on the preceding processes. The article begins by establishing that reform efforts in the existing literature on Croatian local- and middle-level government reorganisation have predominantly been explained either by means of the rational-instrumental perspective or the power and conflict perspective. The former argues that reorganisation outcomes are a product of rational decision-makers, who in the early 1990s and afterwards sought to, for one reason or another, establish centralistic administration of public affairs. The latter, on the other hand, proposes that the current local- and middle-level government structure is a direct reflection of the power structure of the current constellation of political actors. The article goes on to suggest that, at least in part, changes made to the system can be attributed to the garbage can model of decision-making. This is due to the fact that participation in the decision-making arena throughout this period was fluid, the decision-makers' attention scarce and their goals ambiguous, and the definitions of the problems unclear.*

**Keywords:** *garbage can model, local self-government, reform failure, reorganisation, reform, Croatia*

## REORGANIZACIJA LOKALNE SAMOUPRAVE U HRVATSKOJ: ODLUČIVANJE PREMA MODELU “KANTE ZA SMEĆE”

### Sažetak

*U radu se opisuju promjene u sustavu lokalne i regionalne samouprave u Hrvatskoj u razdoblju od 2003. do 2017. Općenito uzevši, pokušaji reforme su bili neuspješni, s izuzetkom određenih pozitivnih pomaka vezanih za promicanje demokratskih načela. U radu se nastoji odgovoriti na pitanje koja bi teorija mogla objasniti promjene do kojih je došlo, a neuspjeh se pokušava objasniti razmatranjem procesa koji su mu prethodili. U literaturi se reorganizacija samouprave na lokalnoj i regionalnoj razini u Hrvatskoj većinom objašnjava iz jedne od dviju perspektiva: racionalno-instrumentalne odnosno perspektive moći i sukoba. Racionalno-instrumentalna perspektiva zastupa tezu da su pojedini ishodi plod racionalnih donositelja odluka koji su s početka 90-ih godina prošlog stoljeća nadalje iz više razloga nastojali uspostaviti centralizirano upravljanje. S druge strane, perspektiva sukoba i moći tvrdi da sadašnja struktura samouprave na lokalnoj i regionalnoj razini izravno odražava trenutnu podjelu moći u političkoj strukturi. U radu se predstavlja ideja da se promjene u sustavu mogu bar djelomično pripisati odlučivanju prema modelu “kante za smeće”. Razlozi za to nalaze se u činjenici da je u razdoblju od 2003. do 2017. sudjelovanje u procesima odlučivanja bilo nedosljedno, oni koji su donosili odluke bili su nedovoljno usredotočeni na proces, njihovi su ciljevi bili neodređeni, a definicije problema nejasne.*

*Ključne riječi: model odlučivanja „kante za smeće“, lokalna samouprava, neuspjeh reformi, reorganizacija, reforme, Hrvatska*