CHAPTER-II

LITERATURE REVIEW


Besides teleological and deontological theories which are looking at the behaviour or conduct of a civil servant, a second set of theories approaches ethics from the point of view of human character. These theories are called virtue-based theories and their main idea is that the virtues are rooted in the heart of the individual and in his or her disposition. Furthermore people can be taught by their families, communities and/or schools to be morally appropriate human beings, people can learn and develop good values.

Northouse, (2007)

The importance of the ethical principles has been discussed in a variety of subjects such as business ethics or leadership education. These principles provide a foundation for the development of civil servants ethical features: respect, service, honesty and community.

Cărăuşan, (2005)

Corruption is perceived as a real enemy of democracy, for legality and for social and judicial equity, destroys the principle of an efficient administration, wearing down the free market concept and puts in danger the stability of the State institutions. The definition of corruption consequently ranges from the broad terms of ‘misuse of public power’ and ‘moral decay’ to strict legal definitions of corruption as an act of bribery involving a public servant and a transfer of tangible resources.

Médard, (1998)

The moral conduct of the society may take us under the sign of corruption. Corruption, understood in this broader term, has been called ‘social exchange’ and
social corruption. Social corruption is conventionally understood as an integrated element of clientelism.

**Castells (1995)**

The author says that new energy sources emerged from the different industrial revolutions and fuelled diverse societies, today we find that knowledge is the dominant raw material. This is the most important asset that a society possesses. The administrative organizations are part of this asset because they facilitate the transmission of knowledge regarding the realization of a balance between short-term priorities and long-term vision from the perspective of sustainability.

**Hood and Lodge (2006)**

The authors argue that under the ‘directed agency’ form of a ‘public service bargain’, public servants undertake to be loyal to whoever holds elected office at any time in exchange ‘for access to the confidential counsels of those politicians and a measure of anonymity when it comes to public praise or blame’. The trust relationships that are established over time through such arrangements may be jeopardized where (1) the public servant take credit for leadership of a successful policy initiative, or (2) the politician shift the blame on to public servants for its perceived failure. Responsibility for the leadership of a public service delivery team would thus be assumed by politicians even if, in practice, public servants performed important but ‘invisible’ leadership functions on the perspective of sustainability.

**Moyo (2009)**

The author says the world has made little progress in implementing programs and policies to improve the lives of the poor, and the integration of the three pillars of economic development, social development, and environmental improvements remains a challenge. Sustainable development is not easy and will take considerable time and effort. Public leadership may involve both politicians and managers organizations in creating a sustainable and realistic.
Duhamel,(1993)

The author says that the law is limited by the constitution; power is limited by law, politicians from all judges. Control of constitutionality is softened and each jurisdiction can and must exercise it.

WU, (2011)

The author says that prohibition should not be arbitrary and excessive or it will become coercion. It is just like, “Do not arrange the citizen’s social lives of details by inflexible moral or political standard. It should not be prohibitive if the manners of life style which members of the society chose do not disturb the normal works and live of others or damage reasonable interests of others”


The author studied non-linear governance change by analyzing the importance of sector-specific institutions and the pathways for governing they create. They identified the key role of redistributive policies, more specifically, sector-specific institutions can account for the specific ways in which reforms redefine hierarchy and professional self-regulation and the extent to which reforms strengthen the hierarchy and affect the balance with other forms of governance.

Shafritz & Hyde (2008)

Simply put, public administration translates laws into action. Public administration exists to implement law, because laws do not implement themselves. Without public administration, we would not have our mail delivered to our homes, police and firefighters would not be available in emergencies, welfare workers and the military would have nothing to do, there would be no Peace Corps volunteers sent to places in need, and space exploration would be non-existent! And more! Public administration touches nearly every aspect of our lives-from the safety of the food we eat...
to what happens to the waste we produce when that food comes out our other end. It reaches into every branch of government as well-executive, legislative, and judicial.

**Christensen & Laegreid (2008)**

Implied in public administration is the crucial role of administrators and managers, who translate into strategies the policies set by governments and then implement them. In the past decade, several authors in public administration and management have put into perspective the need for a better understanding of the topic of strategy execution in organizations.

**Khan, (2008).**

For large bureaucracies, like government agencies, strategy execution is almost certainly accompanied with change and transformation. That is where problems begin for managers. Change is something that raises barriers and difficulties for public executors.

**Lane, (2000)**

According to the Merriam Webster dictionary (2000) the notion of transformation is defined as a change of form and the word transform is defined as a change of structure, appearance or character. Within this definition we find implied the change in practices, the way things are carried out (the change in form), and the internal shift in structures and regulations (change in structure and character). Their impact on the physical, psychological and emotional aspects of employees is obvious. Managers will have to deal with all three of these aspects when trying to execute policies. In this regard, strategy execution is often described in the literature as complex and difficult. Thus, a strategic transformation could be defined as a transformation that is important for the organization. These are the types of strategies managers wish they never had because of the high level of engagement required of them. In this context he, argued in a study that 90 percent of the formulated strategies of firms in the USA and Europe are not implemented on time, or with the intended results. Strategic transformations have longer
timeframes for the implementation and deliver less anticipated results. Finding the reasons for this lack of performance was not easy.

**Almeida, Parisi, and Pereira (1999)**

The authors point out that the controllership functions aim to facilitate the management process. These authors highlight the following functions. The controllership supports the management process by using an information system to assist the decision-making process; aids the performance analysis of areas, managers, and the entity itself; helps analyse and evaluate the results pertaining to the institution in all of its dimensions, which contributes to the development of standards; manages information systems by developing decision models and information models that provide management support; and undertakes activities to answer the demands of market agents (i.e., agents external to the organization).

**Piai (2000)**

The author says that the typical functions of the controllership are as follows. The controllership provides information (e.g., economic and financial situation, performance of sectors, and managers and organization) to support decision making; helps monitor and evaluate the performance and the results of an organization at all levels; formulates goals, defines scenarios, and coordinates an organization’s planning of its activities; and develops information systems that assist in the organization of operations and in the early identification of these results.

**Borinelli (2006)**

The author describes the following features as typical of the controllership:

- Accounting function: the controllership manages the activities undertaken by financial accounting;
Strategic management function: it conducts activities aimed at supporting decision making and the achievement of organizational goals;

Cost function: it conducts cost accounting activities;

Tax function: it manages tax accounting activities;

Protection and control of assets function: it safeguards the organization’s assets;

Internal control function: it develops, implements, and monitors the internal control system;

Risk control function: it conducts risk management activities and discloses their effects; and

Information management function: it creates and models information systems of accounting, financial, economic, and management natures.

Solle (2003)

The author points out that from an operational viewpoint, the controllership aids the management of public entities. This author adds that its implementation requires a previous reflection about the mission and structure of the controllership unit. In support of this idea, assert that in the public sector, the controllership primarily monitors the execution of the budget. Thus, the government sector that assists the management of public resources embodies the controllership, which may assume the form of a state entity’s specific organ or be based on the performance of various sectors and/or civil servants’ activities.


Public Choice Theory advocates the rolling back of the frontiers of State but promotes greater private involvement in the provision of social services and the creation of wealth. It also holds welfare democracy in high contempt based on the assumption that welfare democracy breeds corruption, inefficiency and intense rent seeking. A close look at the ingredients of this theory reveals its intricate link with those basic economic principles that motivate men in society. It testifies to the claim that politicians and bureaucrats often do not act altruistically.
Kickert (1997)

In 1990, the public sector from different European countries began to recognize citizens as consumers and to apply the instruments of public marketing and strategic planning in order to sell its policies to the citizens.


The applicability of public marketing instruments in the promotion of public policies starts from the role of the public policy to guide, correct and supplement where the market mechanism cannot achieve on its own all economic functions and bears the stamp of the specificity of the public sector.

Thomas Dye (1995)

The best known interpretation of public policies is the definition what the government chooses to do or chooses to not do.

Iorgovan, Antonie (2005).

Starting from the formal-material sense of the notion, in a synthetic form, the administrative act is “that legal form of activity of the public administration bodies, which consists of a unilateral and express manifestation of the willingness to create, to modify or extinguish rights and obligations in achieving public power, mainly under the control of legality of the courts.”

Sararu (2009)

The unilateral administrative acts enforcement is provided by the public power, while the administrative contracts enforcement is guaranteed by criminal clause and there
are compensations for the non-execution or improper performance. The administrative contract is a highly topical theme, with broad implications in the economic, administration, the social and political field, at both national and European level.

**Hofmann (2008)**

The author considered that the term “European Administrative Space” has been used to describe an increasing convergence of administrative practices at the EU level and in various member states towards a common European model. It also has been used to describe the phenomenon of the coordinated implementation of EU law and the Europeanization of national law.

**Ghobadian, (2009)**

Public performance is not an objective reality, easily available to be measured and evaluated, it is in fact a social construct, distinctly perceived by different stakeholders and it must be defined broadly enough to include all key dimensions as they are perceived by the major stakeholders.

**Summermatter and Siegel (2009)**

The authors prove that there is no explicit or implicit consensus about performance of public institutions and the authors also refer to which considered performance as a phenomenon that is subjective, complex and particularly hard to measure in the public sector. But each European Administrative Space principle has one ore more corresponding dimensions of performance at organizational level: efficiency effectiveness, openness and transparency as value and ethical aspects, accountability as requirements and stakeholder-related aspects.

**Tofan, (2008).**
Never and nowhere the three powers have been completely separated, as between them there are different ways of collaboration and control that have been growing in time, being dominant nowadays, in the organization and the activities of the public authorities.

**Hintea (2011)**

These rules correspond to the European principle of administration to ensure protection of public servants and neutrality in relation to the political system. The evolution and the reform of public administration cannot be understood outside the contextual analysis of the role of the state in each individual case.

**Profiroiu et al (2010)**

A study regarding public administration conducted stated that the neutrality and impartiality were fundamental principles of the public function. Unfortunately, political changes, regardless of legal safeguards, led to many changes among civil servants, particularly the occupants of leadership functions.

**Rosca, (2007)**

The implementation of regional policy is made by the regional planning, defined by two main components: an economic and social component, that refers to the economic and social objectives and the measures with the role to ensure a balanced regional development, for the reduction of disparities within region and the interregional; a physical component, that summarizes the problems of locating in territory of the economic, social and cultural edifices, resulting from the implementation of measures proposed by the first component.
**Cokins (2001)**

The author states, over the last few decades organizations have been increasingly offering a greater variety of products and services as well as using more types of distribution and sales channels. In addition, organizations have been servicing more and different types of clients. Introducing greater variation and diversity (i.e., heterogeneity) into an organization creates complexity, and increasingly complexity results in more overhead expenses to manage it.

**Molcut (2003)**

The purpose of the process of socio-political ruling is to achieve some objectives of general interest and it requires the specialization of the state activities, in other words, establishing some systems with authority that have, according to some norms, practices or rules, a certain type of activity. The separation of powers refers to the three main functions through which the power of the state is being exercised – the legislative function, the executive function and the judicial function – that must be fulfilled by different authorities that work together.

**Županov, (1993)**

Prevalence of authoritarianism as a socio-psychological disposition exceptionally favours collectivistic homogenization

**Ágh (2003)**

The author shows that public administration reforms in Central and Eastern European countries emanated from a combination of external challenges, supports and pressures. The privatization of different activities, which had served as the first internal engine for differentiation of the structures of the public sector, had a determined role in
the reforming process. Despite their differences, systemic changes triggered public administration reform in all Central and Eastern European countries. While it is relatively easy to describe their negative aspects (because of the communist legacy), the present administrative diversity makes it more difficult to find some common characteristics which apply to all Central and Eastern States.

**Chandler (2000)**

The author states that there is no common system of public administration in the countries in Central and Eastern Europe, nor is it likely to be in the near future. Each Member State has its own culture and traditions of governmental administration. Administrative diversity gives major problems to coordination and raises questions about the uniformity and efficiency of the EU policy regarding these countries.

**Preda, Mircea and Benonica Vasilescu (2007)**

In reality, the de-concentrated services are organizational structures of ministries and other specialized agencies, organized in the territorial-administrative units, through which they exercise their powers in counties, cities, towns, communes.

**Ivan et al., (2002)**

The principle of local autonomy does not have a theoretic character, but it is expressed through practical actions because of its material base, meaning the heritage of each local authority.

**Profiroiu (2004)**

The process of administration getting close to citizens and the government awareness of local needs is reflected in the decentralization and deconcentration of public services.
Ioan et al, (2007)

To be able to perform its functions, local authorities must define three aspects of relations with central authorities central authorities must conceive a good system to evidence the public finances at all levels and to provide incentives where local authorities have a good activity; for each level of government to know very well the responsibilities and powers; the sources of income to be proportional to the extent of responsibilities and competences.

Shim (2001)

Although the public sector in Serbia has been widely criticized because of the rising costs and loss of community confidence in the ability of the Government to be responsive to the community and structural change, it seems that precisely the economic crisis may be a sufficiently powerful vigour to move the Government forward to considering the measures aimed at public sector reform and fighting against the mounting criticism of ‘big government’.

Scott(2001)

In post-industrial, modern society there are more and more sectors in which a specific pattern of structuring and functioning of organizations is institutionalized as the only rational, desirable and beneficial for the society. Organizations in those sectors no longer prove their legitimacy by following technical and economic demands of rationality and efficiency, but by applying the institutionalized pattern of structuring and functioning.

Frumkin, Galaskiewicz,(2004).

Sectors most exposed to institutional pressures are those in which it is hard to control inputs, as well as to measure and quantify firms’ outputs. Public administration is clearly one of the sectors which satisfy conditions of institutionalization, so the force
toward institutionalization of public administration in each contemporary society is very strong.

**Perry (1986)**

The basic goals of downsizing may be divided into two groups. The first one encompasses immediate short-term economic effects, and above all the cut-down of the expenses. The second one comprises long-term organizational effects, such as organizational structure simplification, reduction of bureaucracy, faster decision-making, better communication, increase of productivity and incentive for entrepreneurship and creativity.

**Profiroiu, M., Andrei, T., Dincă, D., Carp, R.**

Political decentralization requires citizens to have more power in the decision-making process, this being achieved in particular by implementing democratic processes. The success of political decentralization in general depends on a number of key components: constitutional or statutory reforms, the existence of political pluralism, the strengthening of legislative bodies and local political units.

**Vos (2009)**

The author stated that communication quality measurement can clarify the added value that communication has for governmental organizations, support accountability and help set priorities for the organizations communication policy.

**Zerfass (2008)**

He proposes a framework for a corporate communication scorecard, including elements such as rising stock values and community programs using sponsorship that do not correspond to the activities of municipalities.
Crosby (1986)

He pleaded for the implication of the citizens in the act of governing. Despite the fact that politicians and administrators declared interest in increasing public involvement in public decisions.

Gelders, Bouckaert and Ruler (2007)

Although not all citizens show interest in the governments activity, in policymaking, public organizations have to be transparent and need to communicate responsibly about unfinished matters that are still under discussion.

Ulker (2001)

People have established different communal structures, have formed different political, economic and cultural institutions, but the most radical change has emerged by the capitalism that is come into the stage in seventeenth century in West Europe. Related with this topic, modern “national state” is also the outcome of the capitalism.

Saylan (1998)

Capitalism has both an economical and communal and political meaning. Capitalism emerged as process and economical contents like division of labour, specialization, consumption structures, sharing at first, and then, it becomes a life style that determines communal form and organization. Capitalism is a dynamic system. It goes in to the crisis in a circular movement and then it quits form this crisis after re-structuring itself.

Sarabay (2003)

Public is used in law as open to everyone, general. In Latin, it draws its own boundaries by the meaning of using something for everyone’s sake in contrast to the private that have the root of “private”.
**Fiszbein (1997)**

In analysing the relationship between local governance, decentralization process and corruption should be considered that a transparent and coherent decentralization process determines corruption decrease and an improvement of public funds use. A World Bank series of studies demonstrates this fact. Nevertheless, an incorrect decentralization process (conceived and implemented) is a factor that will lead most of the time increasing the corruption level from a country that undertakes a transitional process. In this situation the central weight shifts from central to local level.


Karl Marx argued that bureaucratic state administration even if it deals with problems with the best intentions, the most profound humanity and the greatest intelligence, is not capable of fulfilling the most specific tasks and replicates phenomena that in day to day life are called bureaucracy. The universal spirit of bureaucracy is the secret feature, the mystery ensured internally by the hierarchy as opposed to foreign groups, through its character of through a closed corporation.

**Donald P. Warwick, Marvin Meade, Theodore Reed (1975)**

Bureaucracy is a social subsystem in which the decision-making power, “divided between hierarchic orders” has the purpose to fulfil, by the bureaucrats, some administrative activities that aim at some resources (money, capital or the activity of other people).

**R.K. Sapru (2006)**

Known as taylorism or Taylors principles, the ideas of scientific management consist in a certain philosophy that derives from the combination of four principles: the development of a real management science, the scientific recruitment of workers, the education and development of the employees, the proximity between employees and science, a uniform division of work and responsibility between the manager and the
employees. Taylor warnings were related to the situation in which these elements are not accompanied by an adequate management philosophy because if they wouldn’t be based on management principles, despite the rapid changes in the old system, the results could be disastrous.

**John D. Breeze (2002)**

Although was considered to be one of the most important theories of management and therefore administration, it was criticized for its boldness to try to offer a universal model of organization. Thus, some of his principles are applied even today (the concept of managers qualification, the identification of principles regarding the effectiveness of managerial behavior) and his ideas were introduced in the administration disciplines of the Henry Fayols Centre for Administrative Studies.

**Christopher Pierson (2004)**

On one side, there is the certainty that “the modern state in dependent on a bureaucratic base” and that “once it is fully established, bureaucracy is one of the social structures that are most difficult to eliminate”.

**Jacques Ellul (1965)**

The need for information in the political decision-making process due to the last two factors. In what concerns the possibility to manipulate the information by the bureaucrats, some authors have argued that in reality “the politicians do not make real choices anymore” because they are guided by the expertise provided by the departments within the public administration.


The problem with the bureaucracy has to be dealt with as being the symptom and not the cause. Bureaucracy is not guilty of the existing imperfections within a state as it is a way of organizing the administration and not the administration itself.
Johan P. Olsen (2009)

Olsen showed that it cannot be a process of “administrative convergence and singular evolution towards bureaucratization”, according to Weber, as well as we cannot talk about a process of de bureaucratization, not to mention the process of re bureaucratization. According to him, we are witnessing a process marked by ups and downs in bureaucratic organization, with lack of economic performance, budget deficit, implementation deficit and inadequate to globalization and socioeconomic forces, because “the bureaucratic organization is not susceptible to function well when confronted to events that disturb its order, with new problems and criteria of good performance, as well as changing the power distribution”. In this context, there have been some opinions that sustain the above mentioned: bureaucracy resisted as a form of organization because of the functional necessity and because “the society hasn’t found yet something else that can function better in coordinating complex actions”.

Anderson (2010)

In the public administration and public management literature, a large number of studies make references to private organizations and private management in order to establish whether there are differences between public and private sector managers. There are not so many studies related to leadership differences between public and private organizations.

Fernandez (2005)

The public leadership adopted by the public managers is presented in related literature as public managerial abilities and skills.

Hansen and Villadsen (2010)

From the job description point of view, public managers have more job complexity than private managers. The reasons are: public administration is more bureaucratic than private companies. The goals of public administration are more open to
environmental influence, are more complex and less stable and they have to face a lot of external constrains, such as the political factor.

**Peters & Pierre (2004)**

The politicization of the public service consists in “replacing the criteria of selection, maintaining, promotion, rewarding and discipline the members of the public service with political criteria”. Thus, many of the public services have been taken from the direct coordination and control of the government and even so, the citizens are still manifesting their dissatisfaction in case of failure, towards the ministry the specific case belongs to.

**Wrobel, (2010).**

Academic authors emphasize the compulsory character of contract conclusion, special entitlements for the public utility enterprise, for example to apply penalties for non-performance, to exercise controlling powers and restrict compensatory duties.

**Grajzl & Murrell,(2007)**

Furthermore, the often political choice between self-regulation and regulation by the public administration depends largely on the legal tradition of the respective state. For example, many authors point out that countries with a civil law tradition have a stronger tendency to organize the activities of the financial and banking institutions through legislative acts of the public administration. From this point of view, numerous authors depict several characteristics considered to be the main arguments in favour of the self-regulation of the corporate and financial sector, as opposed to their regulation by the institutions of the public administration. Among those are the fast access to information by the members of the financial sector, the innovation potential to create new financial products with increased economic efficiency, the lack of bureaucracy and corruption, when there is increased certainty. When the society is polarized with respect to the particular areas which are to be regulated, as well as when the consumer lobby groups are
strong, it is preferable for the regulatory activity to come from the institutions of the public administration.

**Ogus, (1999)**

Furthermore, the regulation of the financial and banking sector can also be done through the voluntary delegation of certain legislative and audit functions of the public administration to a body comprising of the corporations or individuals which the particular rules are addressed to.

**Zweigert & Kötz (1992)**

The common law tradition offers greater flexibility to the judiciary, which, through their case-by case ruling, creates a certain set of principles and codes of conduct, which are easily adaptable and relatively easy to change in accordance with the transformations of the financial and banking market.

**Omarova**

Secondly, self-regulation of the financial and banking sector may have strong deficiencies in protecting investors, employees and consumers in general, due to the discrepancy between the interests of the financial sector to increase profit while diminishing costs and the interest of the consumers to lower risks. In this regard, the public administration has a key role in monitoring the activity of the financial and banking institutions in order to ensure respect of the interest of consumers and the civil society at large.

**Rus, (2005)**

The public communication includes the local communication, in which the central place of institutions is taken by the local institutions, such as the city halls or the prefectures. The representative of the public institutions, which provides most often with the citizens, is public officer.
**Nedelea & Nedelea, (2006)**

The idea is that every public official can assume the role of a smooth external Communicator, his message being centred on the reliability, efficiency and quality of the institution. This implies, however, that the public official should know (what keeps on the internal communication effectiveness), believe (this means the consistency of his speech and his actions) and want (to feel the need to talk about the institution of public administration, which refers to the idea of motivation).

**Stefan, Pavle, Marko, (2002)**

Among the forms of control that apply to the administration of special importance is the internal control of the administration. The organization of this form of control, presents more detailed regulation of mutual relations within the administration and authority which as a rule have higher administrative organs toward lower administrative bodies. Internal administrative control sometimes is referred to as the hierarchical control, as derived from administrative systems that rely on pure principle of hierarchy, under whose administration the work is not primarily regulated by law.

**Ivo, (1997)**

The essence of internal control is seen as this type of control that does not come outside the frames of administrative organization, but remains within the administration implemented in a way how an administrative body is overseeing the work of other administrative bodies. Due to the specific relations that have prevailed in the past between the administration bodies, this form of control is seen as the most important on legal or technical terms.
**Duhamel, (1993)**

The law is limited by the constitution; power is limited by law, politicians from all judges. Control of constitutionality is softened and each jurisdiction can and must exercise it.

**David H. Rosenbloom, Robert S. Kravchuk (2002)**

A manager, administrator within the public administration system is not a political figure, does not make political decisions and a public official is not (must not be) a politician, but he/she executes the instruction of the political authority. For this purpose, the public administration staff (bureaucratic staff) must be proficient in mastering the rules of controlling the public administration process (bureaucratic process).

**Alesina et al. (1996)**

The author has used data on 113 countries from 1950 to 1982 to show that GDP growth is significantly lower in countries and time periods with a high propensity of government collapse.

**Alesina and Perotti (1996)**

The authors show that socio-political instability generates an uncertain politico-economic environment, raising risks and reducing investment. Political instability also leads to higher inflation.

**Nelson and Singh (1998)**

The 'comparability perspective' is espoused by a school of economists and political scientists that maintains that democracy has a beneficial effect on growth both directly and indirectly. On the other hand, the conflict perspective is defended by a second school of thought that maintains that democracy has an adverse effect on growth. Defenders of the conflict perspective point to countries such as Hong Kong, Singapore
and Taiwan, which achieved "super growth" regardless of the fact that the governments of these countries were authoritarian in nature.

**De Haan and Siermann (1996)**

Proponents of the comparability perspective argue that democratic institutions create a system of checks and balances that effectively control governmental power and limit the potential for the implementation of unpopular policies. Secondly, it has also been argued that democracies are better able to protect private property, which many economists claim to be the "foundation of material progress"

**Barro (1996)**

The author in his empirical study investigating the relationship between democracy and economic growth, finds a nonlinear relationship in which more democracy enhances growth at low levels of political freedom but depresses growth once a moderate level of political freedom has been achieved.

**Przeworski and Limongi, (1993)**

Development requires large amounts of investment that requires substitution away from current consumption. Thus, proponents of the conflict perspective are wont to argue that a democratic government is unable to implement such policies for fear of being voted out of office. It has been stated that, "Such investment programs imply cuts in current consumption that would be painful at the low levels of living that exist in almost all developing countries. No political party can hope to win a democratic election on the platform of current sacrifices for a bright future"

**Haan and Siennann, (1996).**

This view doubts the existence of a viable statistical relationship between democracy and economic development. Instead they theorize that the kind of policies that
are pursued by the government, institutional arrangements, and political stability are far more important than regime type.

**Tavares and Wacziarg (2001)**

The Authors argue that political stability is not necessarily a function of democracy. According to Tavares and Wacziarg, one of the characteristics of democracy is "transparent rules for the alternation of political forces in power" which discourages uncertainty.

**Thompson (1992).**

The effects of corruption on the agencies of public administration can be particularly pernicious. When corruption is believed to be the way the public sector, or one of its agencies, routinely operates the damage goes beyond the loss of misdirected resources. Public administration risks losing both its capacity to be effective and the trust of citizens in the fair and impartial application of public resources and authority.

**Caiden (2001)**

In the public domain it becomes difficult to guarantee compliance with public standards or respect for the rule of law.

**Quah (2007)**

A particularly damaging institutional consequence for the public administration is that competent and honest employees can be lost or deterred from working for government at all, further reducing its capacity for integrity and effectiveness.
**Kauzya (2012)**

Monitoring the behaviour of public officials is only one of the reasons for citizens to engage with government. Increasingly citizens are interacting with government as contractors and suppliers. Public and private sector partners frequently follow different operating objectives and standards of conduct. Governments private sector partners and suppliers may not always appreciate the practical implications of the ethic of stewardship in public administration that everything at the disposal of the Public Servant (i.e summarized as time, treasure, talent, and treatment) is from the public entrusted to him/her for the satisfaction of the needs of the public.

**Sparrow (2008:1)**

Corruption has been linked with other “harms, threats or risks” such as violence and crime, pollution, fraud, occupational hazards, transportation hazards, many forms of discrimination, product safety risks and so on in the sense that techniques to control these phenomena tend to have features in common.

**Khan (2011).**

Using the popular anti-corruption measure of citizen engagement in governance to increase transparency and the accountability of the public administration has been described as likely to be effective against some types of corruption, less effective with others and ineffective against another. We know that corruption is more prevalent when the institutions of governance and public administration are weak or ineffective. Corruption has often been described as evidence of institutional failure, specifically the failure of public administration in one or more of its many agencies.
**Verschuere, (2009).**

There are many other ways in which politics and/or politicians (still) play a role in and around agencies. For example, agencies experience, at street-level, which policies work well and which do not. This information is necessary input for policy makers inside the government. However, this input is not always heard, processed or even appreciated by, for example, ministries. Therefore, some agencies have developed new ways to influence policy debates and development themselves; they become active participants in the political or policy debate.

**Profiroiu and Profiroiu (2007).**

From an organizational point of view local administration is structured in local authorities and subordinated public institutions. While the first category represents the power of the local authority, the latest are public service providers. The local competencies depend on the rate of decentralization admitted by the political decision system.

**Bergvall (2006).**

Each local community has its own budget. Local budgetary resources consist of (in descending order): VAT amounts, shares from income tax, other local revenues, subsidies, local taxes, and donations. The Romanian local budgets are dependent on intergovernmental grants, these being used in many countries to finance sub-national spending and to implement national policies.

**György and György, (2010).**

The excessively analytical classification pattern could reduce the efficiency of the organization by imposing financial barriers to management. The challenge for local
budgeting is represented by the migration to accrual budgeting. There is no official
deadline established yet, but it will be mandatory in the future (possibly not in next
decade). Nowadays accrual-based budgets are used on a reduced scale, but in the last
years important steps have been taken to extend them. The migration from cash-based
budgeting to accrual-based budgeting is done gradually, especially by completing the
information from the cash-based budgets with specific information from the accrual-
based budgets.

**György and Câmpeanu, (2010)**

In order to use efficiently the public money, procurement legislation sets up rules
that encourage transparency and competition between bidders. From public institutions’
point of view, these new rules contributed to the reduction of the expenditures, but also
caused a supplementary cumbersome bureaucratic procedure.

**Maskin and Tirole, (2007)**

Public institutions procurements can be replaced with public-private partnerships
(PPPs) when financial resources are not enough or when private management can assure
better outputs. PPP contracts are increasing although there is no consensus in this issue.
This increase in PPP contracts is often attributed less to the intrinsic qualities of such
contracts than to governments attempts to evade budget constraints.


Human resource management should focus on quality. Public institutions need
sufficient employees, properly prepared and motivated professionals. Human resources
capacity is critical to the quality of public administration in any country. Capacity
development of human capital requires effective implementation of a holistic and
homegrown strategy, underpinned by long-term political commitment.
**Câmpeanu and György, (2009)**

In public administration, human investments are performed using the following methods: (i) training of employees; (ii) continuous learning (at least one program every three years); (iii) specialization on interest field; (iv) well-known training institutions and quality programs; (v) programs recommended by specialized institutions.

**Ţiclăuş et al., (2010)**

Local authorities do procurements of goods and services necessary to current activities, such as providing free of charge goods for different categories of beneficiaries (for example mothers get free milk powder bought from public resources) or developing public infrastructure (for example local authorities buy slides to offer playgrounds in parks). Procurement mainly consists in goods, but services also consolidate their position. The range of procurement is quite large and dynamic in time. Procurement strategies are reviewed annually when acquisition lists are set up.

**Lazăr, Inceu and Zai, (2005)**

The effects of those investments at local level are capable to sustain local development and to contribute to the improvement of the financial and budgetary indicators that quantify the quality of public finance at local governmental levels. Those are more evident because the financing capital investments should assure the principles of fairness, promptness and efficiency.

**Cobarzan and Hamlin (2005).**

Various factors explain the increased recourse to public-private partnerships. In view of the budget constraints confronting local governments, public-private partnerships meet a need for private funding for public sector activities. Governments also wish to
benefit more from the expertise of the private sector in areas like marketing and supply chain management. On the surface, the advantages of contracting out seem straightforward. In the case of the service contract, if the fee that the city would pay the private company for this service were less than what it would cost for city employees to do the job, then municipal taxpayers would save money that could be used on other activities or to reduce taxes. And, good reasons exist for why a private company might be able to do the job for less. Some reasons include lower labor costs, better management, and greater experience from providing the same service in other communities, better equipment, and better technology. A private company that is in competition with other companies might have more incentive to be innovative, seek lower cost labor, and develop better technology. The gravitation towards public-private partnership, and particularly increased contracting out public services to promote efficiency, challenges and sometimes strains some of the most basic values of any public system, such as equity, transparency and ethical behavior. How, for example, does a government of the people, engage in various forms of private negotiations and interactions with private businesses and citizens? How does the public sector ensure that the views of the general public are properly included? How does government maintain objectivity in selection, oversight and compensation of the private partners? When public-private partnership is used, how are disadvantaged groups and areas served if private contractors find it difficult to make a profit serving them, or, what if the resulting price for a public service is so high that the less fortunate are financially excluded.

Blendermann et al. (2004).

Some forms of public-private partnership can increase transparency, but many forms of public private partnership complicate governmental control and oversight as they put greater trust in decisions made in the private realm, outside of public view. The less transparent these interactions become the greater the chance for and temptation for corrupt practices to be inserted. This fact often leads to calls for greater regulation of those private decisions. On the one hand, pursuing a more entrepreneurial approach to government in combination with increased governmental regulations might increase
governmental efficiency in the narrow sense of the word. On the other hand, over regulating contracting out can destroy the benefits of flexibility, innovation and responsiveness of the entrepreneurial spirit. Disclosure of financial interests means that the public officials involved in the decision-making process should declare any private interests that might affect their decision with regard to contracting out a public service. Some large public institutions established additional layers of supervision and control to prevent conflict of interest of public officials. For example, New York created a Conflict of Interest Board that requires divulging personal finances of the contracting personnel and the Department of Investigation investigate city employees’ declarations. Achieving a balance is difficult, and that balance varies with changes in technology and from culture to culture.

**Susan Rose-Ackerman (1999).**

From the perspective of anti-corruption strategies, the goal of regulations is to limit the opportunities to extract bribes. But, an endless debate continues regarding the optimum level of regulation to prevent corruption. On one side, neoliberals claim that excessive regulations are responsible for the explosion of corruption. Other authors argue that deregulation increases the number of corrupt opportunities substituting a corrupt public official with a corrupt private one. The conditions that generate corruption in the absence of intervention are the same as many of the market failures that justify government intervention.

**della Porta and Vannucci (1999).**

A third group of authors argue that the amount of regulation is not important. Corruption is present in any state, whether it is laissez-faire or interventionist Corruption originates in state apparatus characterized by either an excess or a lack of regulation. Corruption in contracting-out is widespread around the world; it is not limited to developing nations. It takes many forms and can impose large costs upon communities. No strict relation exists between the size of public sector and level of corruption. Without
strict supervision of the quality of the works or of the services delivered, corruption can affect safety of people. Corruption can become systemic, affecting all levels of an institution. Those bureaucrats, who might have found out about corruption, can be gradually brought into the precise system of corruption that provides each person a certain percentage of the take.

**Hellman et al. (2000).**

State capture theory argues that firms shape the regulations through payments and favors to public officials. The problem of state capture is particularly prevalent when firms face insecure property rights and firms pay bribes to obtain certainty. According to this theory, firms that benefit from payoffs will resist efforts to improve the clarity of rules and laws.

**Tanzi and Davoodi (1998)**

According to, in countries facing extreme corruption, public officials prefer to undertake new infrastructure projects while the existing infrastructure is left to deteriorate. The public officials intentionally neglect “the operation and maintenance of the physical infrastructure, so that some infrastructure will need to be rebuilt”. These projects mean more funds invested and allow corrupt officials to extract additional bribes from new investment projects.

**Haberfeld, Kutnjak Ivkovich, Klockars and Pagon (1999)**

These authors stress that corruption needs to be understood in its original, natural meaning (depravity, perversity, dishonesty). Authors state that corruption is very difficult to detect and is even more difficult to prove. It is characteristic of a corruptive relationship that there is no impaired party that would feel the need to report an offence. That is why detecting and adducing evidence to prove corruption is an extremely difficult task. The problem of ethical treatment of management from the social psychological and
communicological point of view. They have found out that managers take wrong notions of the sense and use of ethics, the prevailing philosophical attitude towards the issues of ethics, lack of ethics education and training, and exaggerated emphasis on macro-ethical issues. Studies of police force corruption show that there are certain similarities and differences among the countries involved in the research. In general, American police officers showed less tolerance towards corruptive behavior in comparison to Slovenian, Polish and Croatian police officers.

**Rose-Ackerman (1999)**

The governance processes and the corruption phenomena are in direct connection, and under profound scrutiny. Rose-Ackerman studied corruption from the economic, cultural and political perspective, and she revealed the following aspects regarding the anticorruption strategies. Although the author asserted that the work she conducted does not present a blueprint for the anticorruption reforms, she suggested a range of alternatives that reforms must tailor to in the context of different conditions specific to individual countries.

**Joel and Kaufmann (2001)**

The authors define state capture as the actions of individuals, groups or firms, both in the public and the private sectors, to influence the process of elaborating laws, regulations, decrees, and other government policies to their own advantage as a result of the illicit and non-transparent provision of private benefits to public officials. The institutions that are subject to capture are the legislative, the executive, the judicial and the regulatory agencies. The actors that tend to engage in the capturing process are private firms, political leaders or narrow interest groups.
**Solomon (1995).**

The offensiveness of the “anthropological pessimism” that underlies economic and political liberalism is a matter of common sense. It contradicts the relatively frequent examples that support optimism with regard to the human nature. Not surprisingly, such examples tend to occur in value contexts that embrace an optimistic picture of man, quite opposed to the hypothetical and almost certainly counterfactual, even though aesthetically pleasing, and liberal theories about human nature, such as the social contract theory.

**Uslaner (2002)**

Uslaner describes, however, rural communities in America where fruit is sold on unmanned stalls along the roads. Any driver or passenger is free to take the fruit and leave the money on the stall. Apparently theft here is also a rare occurrence. In such a scenario, what is at stake is clearly and undoubtedly moralistic trust: stall owners have no way of knowing who will stop by the stall, what kind of person they will be, where they will come from, and they thus have no empirical grounds to believe in the honesty of potential visitors. Moralistic trust in such communities is a matter of character, not of calculations of odds, although, admittedly, if theft were to become common the trust would be quickly withdrawn and stalls would no longer be left unsupervised. The moral expectations and facts are closely interconnected. The point of the examples, however, is that: “trusting intentions reflect a basic sense of optimism and control. Trusting others is not so much a reflection of your life experiences as of what you were taught when you were young”.

**Northouse, (2007)**

The moral values which support the democratic society are studied at ethics, a science that pays attention to their historical development, to their content, to their role in
the social life and to the moral conduct. The development of ethical theories dates back to Plato and Aristotle. The roots of the word ethics are in the Greek word ethos that means “customs”, “conduct” or “character”. So, ethics is concerned with the kinds of values and morals that an individual or society finds desirable and with the virtuousness of individuals. Ethical theory provides a system of rules or principles that guides us in making decisions about what is right or wrong and good or bad in particular situation.

**Dalla Costa (1998)**

The author stated that being honest means more than not deceiving. For civil servants, being honest means not to promise what you cannot deliver, not to evade accountability, not to suppress obligations and to respect others dignity and humanity.

**Hyden & Court, (2002).**

The shift in development strategies, boosted by the policies promoted by international organizations and civil society, presents a focus on the role of citizenry to promote sustainable development, requiring higher levels of transparency, anticorruption measures and accountability from their governments.

**Heller (2008)**

It is noticeable that throughout the last decades of economic development thinking, the analysis of the role of politics in the development strategies has been gaining importance.

**Deonadan (2006)**

As the geopolitical rationale for supporting dictators waned, and globalization, democratization, privatization and stabilization became the objectives of the new millennium, the rise of official corruption has become the new enemy of western
economic security. It is a major threat because it puts in jeopardy the successful realization of these new goals.

**Kauffman et al (2006)**

As present it: “Since corruption is clandestine, it is virtually impossible to come up with precise objective measures of it”

**Treisman, (2007)**

The sustained trends of correlation among the different indexes, as well as the high correlation with also experience-based indicators are arguably a sign that they should serve as a good proxy of what the corruption phenomenon is in reality, as most of the different perceptions coincide.

**Chetwynd, Chetwynd, & Spector (2003)**

The governance model focuses on the impacts of governance factors, which in turn affect poor people. In this case, focus is set, for example, on the study of the increase in poverty due to poor performance of the government in the collection of taxes and revenues or on the loss and misallocation of resources due to corrupt public officers.

**Mauro, (1995)**

The negative association between corruption and investment, as well as growth, is significant in both a statistical and an economic sense.

**Eclac (2008)**

Another point is that the growth rates in the region, for the period included in this research, may also reflect the fact that the countries in the region –which are
exporters of commodities—have benefited from the rising prices in the international market, and therefore growth rates are not in line with corruption performances, that have not experienced any significant change in their trends in the last decade. Another surprising result is that none of the regressions showed a relation among Corruption Indicators and Inequality measures, even when Latin America is known for being the most unequal region in the world.

**Beetham (1998, p. 62).**

According to the author existing fundamental differences from the public administration and the private sector, lead to different performance standards. Thus, the administration deals with the general needs of a society, so that it can respect both the political and the performance criteria, and also aims at fulfilling the demands of citizens.

**Ivanoff, (2008)**

We agree with the opinion according to which, the civil servants are not bureaucrats. Thus, the civil servant who, in order to fulfill his/her competences, attributions or responsibilities according to the law, to solve some problems, asks the citizens for certain papers or documents required by the law, cannot be considered a bureaucrat only because the petitioner did not understand what documents he/she needs to solve his/her problem. Professor Ivanoff considers that what makes different a civil servant from a bureaucrat is “first of all the moral conscience which if formed through learning values and settling the moral principles”. Opposed to the authentic civil servant, the bureaucrat considers his/her work as being lacked of satisfactions and full of frustrations, this idea being the result of “the conflict between what he/she does and what he/she considers to be done, according to his/her skills”
**Ludwig von Mises (2006)**

According to “the ones who criticizes bureaucracy make the mistake of directing their attacks only against only one symptom, and not against the cause of the evil” More and more citizens direct their criticism against the civil servants, making them the direct responsible of their discontent, instead of directing their criticism against the ones who adapt laws, dispositions and regulations (for example the Parliament), and who change the civil servant into a bureaucrat, restricting his/her action plan.

**Fisichella, (2007)**

What generates the continuous spreading of the bureaucracy? The modern state gradually assumes new tasks, offering more and more services to its citizens in the field of education, health, social services, communication, transport etc. These services lead to an expansion of the administration, very often the bureaucracy interferes with the activity of the political structures, government and representative bodies. In other words, bureaucracies do not only execute politics and apply norms, but they also interfere in the process of making politics and norms.

**Alexandru, (2010)**

The reduction of the administration proportions represented and it still does represent a problem within the political debate, having echoes among the citizens. The aim of government is to reduce the number of civil servants during their own mandate, but, due to the arbitrary employments of the party, to corruption and nepotism, at the end of their mandate, it is noticed that the administration has the same big number, if not bigger as it was at the beginning, of employees, reason for which, the new government aims again at reducing bureaucracy. The economic crises from the last years generated a great number of unemployed, which determined the unions to ask for reducing their number by an increase of the public costs, which lead to an increase and not a decrease of the administration proportion. No matter how advantageous the re-organization would be,
or how scientifically the work would be organized, if the cuts are only based on profitableness studies, the result will be inevitably, an over loading of the work for the civil servants who stay within the structure and are not fired, fact that will drastically lead to a poorer quality of their work, and of course of the quality level of the public services.

**Hamlin and Lyons (1993).**

Recent years have witnessed a revolution in the way governments work. The world has moved away from centralized governments and controlled economies, toward decentralized governments and market-driven economies, and those decentralized governments have been pushed to be more entrepreneurial.

**Hamlin and Lyons (1996).**

During the 1980’s, the phrase “public-private partnerships” became popular. The label originally described governmental use of incentives to leverage private investment, particularly with respect to economic development projects. The goal was almost always to promote private physical and economic development in places needing economic rejuvenation. In every case, the terminology mentioned above starts with a public sector and a private sector and talks about how the two sectors relate to one another. This is a false dichotomy. The new movement requires a new paradigm. The last twenty years have seen an explosion in the number and importance of intermediate sector organizations and activities. These promote the public interest, but must also be sensitive to the need to reward investors for taking risks. While “pure public” and “pure private” represent theoretical ends of a spectrum of entities, intermediate sector behavior is increasingly becoming the accepted practice.
**Holland (1984)**

Public-private partnership means cooperation among individuals and organizations in the public and private sectors for mutual benefit. Such cooperation has two dimensions: the policy dimension, in which the goals of the community are articulated, and the operational dimension, in which those goals are pursued. The purpose of public-private partnership is to link these dimensions in such a way that the participants contribute to the benefit of the broader community while promoting their own individual or organizational interests.


A simple approach of public administration is that it refers to two distinct, but close activities: a professional practice and an academic area. On one hand, it refers to administrating or management of the aspects related to society, politics and its subparts that are not private, familial, commercial or individualist, and on the other hand, it refers to the disciplined study of these aspects.

**Vigoda, (2002).**

In spite of the apparent similarities, nowadays public administration is an entirely different organism from the public services in the past. It is wider than before and is still expanding. It is much more complex than in the past and it continues to grow each day. It has more responsibilities towards the citizens and it still needs to handle the increasing demand of the population. It needs more qualifications, but more than before, it needs to restrain activities and to reach the standards of equity, justice, social justice and most of all of assuming responsibility. Public administration has frequently been understood through the point of view of the political analysts or the point of view of political researchers. Alternatively, it was considered to be a specific field of the management science. Meanwhile the origins of administrative processes are firmly identified with political science, political studies and managerial construction of public
institutions, it would be inaccurate to show the nature of public administration strictly referred to these aspects.


Although seldom mistaken for politics in general, public administration is different. The delimitation is superficial as each definition of public administration contains both terms that refer to administration and terms that refer to government, to the political process in general. If this mechanism, composed of politics and public administration, could be compared, it would resemble a human body, with politics as the head and public administration as the body. Administration, as related to bureaucracy is a subspecies, meaning that it is higher than bureaucracy. The definition of administration is wider than the one of bureaucracy. In other words: all bureaucracies are administrations, but not all administrations are bureaucracies.


Another interesting debate is the referring to the connection between public administration and public management. As long as the sector was small, public management was defined as administration, the exercise of public authority in accordance with a fixed system of rules. The accent was placed on the administrative action, the formal decision-making process and the implementation according to the established procedures.

Paunescu, (2008)

At the same time with the increase of public sector dimension, with service functions more important than administrative functions, the relevance of public administration has started to be deformed. As opposed to public administration, often mistaken for bureaucracy, public management, is not limited to following the procedures
(although it includes them), but it also involves focusing on results, on establishing strategies (short and long term ones) and attention to the environment, depending on the external evaluation of services, especially by the citizen.

**Sindane, (2004)**

The idea that public management is based upon is related to the concern for the quality of public services that are offered to the citizens and for their satisfaction. The failure of implementing governmental programs was due to the focus on the results of public programs, instead of focusing on the behaviour of government agencies and their employees.

**Negoi(1993).**

As a result of all the above mentioned, public administration, having the role to actively participate in achieving the general interest, expressed by law, represents the activity through which law is organised, executed and its execution is guaranteed up to the material facts.

**Naomi Reniut-Ursoiu (2011)**

The concept of good administration has a double meaning, concerning on one hand the means of providing services by the public authorities, and on the other hand, measures concerning the relation between the public authorities and the citizens. In this sense, the right to good administration includes not only the right of the citizen so that the authorities observe a number of standing orders, but also the right to make sure that they generate the best results.
**Emanuel Albu (2008)**

Concerning the legal nature of the right to good administration in the doctrine, it has been shown that it represents a complex institution and has the legal nature of a fundamental right, with a wide-ranging content that includes a multitude of attributes relating to the organization and functioning of the Administration, acknowledged as independent rights.

**Alina Nicu (2006)**

Living in a given community requires knowing and keeping its fundamental values. It is also necessary the observance and enforcement of the rules of conduct imposed by the judicial norms accustoming to good discipline the human behavior in social relationships formed in that community to create and protect these values.

**Dana Georgeta Alexandru (2005)**

The principles standing at the foundation of the relations between the administration and the administered ones are determined by a social communication style. The communication with the citizens is examined by reference to a bureaucratic administration, seen as an authentic caste, separated from the rest of the society and which, due to the prerogatives it disposes of, inflicts itself to the administration.