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ADMINISTRATIVE REFORM AND THE AGENCY MODEL OF PUBLIC ADMINISTRATION

ABSTRACT: Administrative reform in various countries is conditioned by various social, political, and economic factors. In this regard, we cannot talk about the same reasons for reform for every country. However, what is common to all cases is the crisis of state governance and the need to transform the existing system, reduce state interventionism, and increase efficiency and productivity. The terms "efficiency" and "productivity", in the context of the state and its administrative system, take on a different quality and somewhat altered meaning compared to their usual context, as they are shaped by their connection to the public interest. The reforms implemented in the former socialist countries, however, have a different background. They are partly the result of aspirations for rapid economic progress and partly the outcome of mandatory changes required by the European Union.

Without deciding which of these reasons prevail, the author will discuss the reasons that brought about the need for new models of public administration. These models aim to overcome the crisis of state governance, focusing particularly on the agency model of public administration, which, as a trend, has been widely adopted in many countries. This model of public administration has also been extensively applied in the case of administrative reform in the Republic of Serbia. Considering their role

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and prevalence, it can be said that this represents a unique model of public administration reform.This model of public administration has been commonly applied in the case of administrative reform in the Republic of Serbia. Considering their role and number, we can say that it is an authentic model of public administration reform.

***Keywords**: Crisis of state governance, administrative reform, models of public administration, administrative activity, public agencies.*

1. Introduction

The role of the state has long gone beyond the function of exercising power. Over time, the range of government duties and tasks has expanded so much that the role of the social regulator has become one of its main roles. The need for state interventionism arose especially in the period after the Second World War when it was required to restart the economy and regulate the disturbed social and welfare processes.

However, such a concept of "welfare state" and state regulation operated for a certain time, until the socio-political context changed, and that has set new challenges to the administration.

Large state regulation and presence in all fields have become a limiting factor over time, both for the country's economy and for the state organization itself, showing its flaws right in terms of efficiency and economy. Therefore, new concepts of the organisation of administration have appeared, following market principles and neoliberal ideas.

Both existing and new tasks that were put before the administration in various social areas could no longer be accomplished by the traditional administration (Vasić & Bulatović, 2023. p. 100).

The transformation of administration, as indicated at the beginning of the paper, did not happen in all countries in the same way, due to specific socio-economic and political parameters. So, no universal pattern of this process can be singled out, but in a general sense, one can note a shift towards new ideas and standards belonging to a new concept called New Public Management.

In this sense, the agency model of public administration can be seen as one of the ways of realizing the principles of efficiency and economy in the work of administration, namely public administration, because the concept of new public management asserts the principles of efficiency, productivity, competitiveness and profitability of the work of public administration (Lilić, 2009, p. 37).

2. Models of Administration

The model of state (class) administration belongs to the traditional models of administration. It is characterised by the exercise of power, which is a primary function of the state, implemented in a particular way. Power is exercised through administrative (executive), judicial and legislative bodies, and executive power is exercised through the administrative apparatus.

If we view the exercise of state power as the creation and application of rights, i.e. as the exercise of legal functions of state power, then the executive function represents the function of issuing general and individual orders, i.e. applying coercion with the aim of immediate execution of laws and other regulations (Kovačević, 2022, p. 74).

The aforementioned general and individual commands, which primarily serve the implementation of laws and other regulations in a wider context, aim to achieve and protect the general, public interest. Hence the specificity of imperative norms and the monopoly of physical coercion become inherent only to the administrative apparatus. In addition to the aforementioned, the monopoly of force is also used in the context of the protection of administrative and political power used by the state to realise its political goals.

However, this concept, where the administration is reduced to a strict hierarchical state administration, and its function is reduced to administrative power, has led to the fact that the administration turns into an apparatus for coercion and repression, i.e., the exercise of administrative power is ultimately the application of physical force and coercion (Kovačević, 2022. p. 74).

This model of state administration conceptually originated in Germany at the beginning of the 17th century and was later widely accepted and elaborated in socialist countries. Its main representative is Georg Jellinek, a German author.

Another model – **the model of administration as a public service** was created at the beginning of the 20th century, as a result of the idea to separate "management" from "commanding". In other words, the state assumes a social function taking into account activities and social processes of general interest, meaning, the activities that are particularly important in terms of meeting the citizens' needs. In the foreground are the non-authoritative activities of the state, which contribute to general prosperity and well-being.

The founder of this concept is a French theoretician Léon Duguit. According to him, public service is any activity where its performance must be ensured, regulated and controlled by those who rule. The performance of this activity is essential for the realisation and development of social reciprocity

and is also of such a nature that it cannot be achieved without the intervention of the ruling power (Duguit, 1998, p. 34).

Therefore, the state is less labelled with the repressive exercise of power and more and more with the main executor of numerous non-authoritative activities of interest to citizens. The number of these activities increases over time, they get copious, and the state acquires a more prominent social function in this phase of development. By providing and performing public services, the state (its administration) identifies with public service. The administration gets more and more service-oriented.

The New Public Management model essentially relies on the previous management model, retaining the social regulator element but with the addition of some new elements. Those new elements relate to the functioning of the administrative apparatus following some new principles.

The organization of the administration, according to the ideas of the new public management, sets new demands on the administration. They concern decentralization, devolution, time limits and deadlines for the project implementation, programming of work through projects, contracts as a legal basis for many administrative activities, a new system of evaluation and values (management responsibility, legitimacy, social justice, legality, protection of citizens' rights, fair treatment, etc), permanent organizational development, expansion of responsibility towards citizens and involvement of clients (Dimitrijević, 2015, p. 26).

The new public management advocates for principles that previously were not typical for an administrative organization built mainly on a traditional bureaucratic model, which was characterised by "slowness", high costs and insufficient efficiency at a certain moment. At the same time, this is the main reason for the emergence of a new administrative model, with a different concept of management.

In essence, it is about the need to introduce a new managerial culture – a culture of responsibility, innovation, cost awareness and progressive development – instead of an administrative culture, which emphasizes respect for procedures, continuity, and regularity regardless of costs and security (Koprić, 1999, p. 267).

Awareness of sustainable business, with the best possible results and of professional staff, especially concerning decision-makers (managers), makes the administrative organisation closer to the private sector and market principles of business.

Such a model of administration first appeared in the countries of the Common Law tradition and later spread to other countries, first in Western

Europe and later in Eastern Europe through the process of Euro-Atlantic integration (former socialist republics).

This concept pays great attention to introducing new professionals into the public administration organisation – public managers, as staff of exceptional professional qualities. They should contribute to the wider participation of individuals in creating and implementing public policies, and not only in directing and developing the processes within administrative organisations.

In theory, certain authors argue in favour of the new public management as a concept widely and internationally accepted since the end of the 20th century to be already "dead" (with which the author of this article disagrees) and the peak of the new public management idea to have largely passed, except in the so-called developing countries who accepted the concept a whale later. "Although its effects are still working through in countries new to NPM, this wave has now largely stalled or been reversed in some key "leading-edge" countries. This ebbing chiefly reflects the cumulation of adverse indirect effects on citizens' capacities for solving social problems because NPM has radically increased institutional and policy complexity. The character of the post-NPM regime is currently being formed" (Dunleavy, Margetts, Bastow & Tinkler, 2006, p. 467).

Having compared and analysed several leading countries of the Common Law tradition (USA, Canada, Great Britain, Australia, New Zealand) and the way the new public management changed in individual systems of public administrations, they point out that processes based on modern information and communication technologies, interaction with citizens and the public sector and the digitalisation of bureaucratic procedures have taken primacy, and the new public management itself has shown "side effects" over time.

The following model is based on the aforementioned new technologies and a new approach to the relationship between the administration, citizens and the economy. Namely, introducing new technologies in performing various administrative activities contributes to economicalness, efficiency and transparency in many ways. This concept is mostly known as Electronic administration, or "E-administration" for short, although other names can be found in the writings: "Electronic Government", "electronic administration", "Digital administration" and others.

The term Electronic Administration itself is not unique and varies depending on the scientific discipline that defines it. Also, specific definitions emphasise specific elements of Electronic Government. Also, the very elements of this model of government are subject to changes brought about by the development of technology itself.

Nevertheless, some terms related to E-governance are generally accepted: digitalisation, which implies the wide use of IC technologies (Golić, 2023, p. 46), efficiency and effectiveness of the government, improved delivery of information and state administration services, raising the level of democracy, increased participation of citizens in the political life of the community and decision-making processes and increased transparency of government decisions and work (Oyomno, 2003).

In essence, e-government uses information and communication technologies (ICT) to improve governmental processes to the benefit of citizens, businesses and the government itself. It does not only help existing processes using digital means but also involves rethinking and transforming the way the government institutions operate, and the citizens' benefits and expectations are the focus of such reconceptualisation (Worldbank, 2013).

In this sense, the services provided by the Electronic Government are aimed both at citizens (G2C) and businesses (G2B), as well as at the government agencies themselves, i.e. among them (G2G) (Vučinić, 2020, p. 48).

Good Administration model is also created on the basis of the New Public Management. Created in the years at the turn of the 20th and 21st centuries, this model implies the determination of the nature of administrative activity, which we can view as a function of the government, a function of the public service, or something else. As a result, the criteria and standards that serve as a measure of the success of the administration's work (management, efficiency, legality, transparency, serviceability, participation) are changing.

Although there is no single definition of good public administration as a model in legal theory, the emphasis is basically on the rule of law and the rule of law and respect for certain principles in the work of administration. The principles we are talking about are contained in the documents of the relevant international institutions.

One of the first such documents is the World Bank Report dating from 1989, which states that "good public administration consists of an efficient public service, a reliable judicial system and a responsible administrative apparatus" (European movement in Serbia, 2016, p. 10).

In the documents of the United Nations, more precisely the Economic and Social Commission of the United Nations for Asia and the Pacific, the following wording can be found: "Good governance has 8 major characteristics. It is participatory, consensus oriented, accountable, transparent, responsive, effective and efficient, equitable and inclusive and follows the rule of law" (UN-ESCAP, 2009).

According to the international organization OECD, good governance in the public sector is linked to "the rule of law, efficient management in the public sector, reduction of corruption and reduction of existing military expenditures" (Lozina & Klarić, 2012, p. 25)

The agency model of administration comes at a time when the jobs and tasks of administration multiply and get complex. The new approach to the challenges the administration faces, is reflected in a new organisation of staff who perform administrative activities and who should support the principles of economicalness and efficiency but also the newly established principles of expertise-professionalism and political independence.

The concept of agencies originated in Great Britain and is particularly based on the doctrine of new public management, as well as on a new understanding of the role of public administration in society, and it is reflected in the concept of the social and regulatory state (Milenković, 2019. pp. 33–36; Kovačević, 2022, p. 78).

Although the institute of public agencies and the meaning they have in the Common Law system cannot be fully identified with the public agencies in the Civil Law system, in many national legislations they are seen as a good way to relieve a part of the state administration and to improve and rationalise the performance of certain tasks in many areas. The acceptance of this institute has become an international trend, and their number and diversity lead to what is referred to as the process of *agentification* in the professional literature.

Namely, the term "public agency" is used mainly in the countries of the Common Law tradition to indicate an agency of public administration. In the countries of the Civil Law tradition, it indicates a special entity of public administration that performs various assigned tasks (developmental, regulatory, professional, etc.) in certain areas.

The term public agency is not generally accepted, so for example in France, these public administration units are called offices. However, apart from the terminological aspect of the issue of public agencies, public agencies are, generally speaking, a rare organisational form of administrative activity. They should enable the performance of certain jobs and tasks in the domain of state administration more efficiently. Depending on the specific legal system, they may or may not belong to the system of the state administration, and also have certain elements of public service (Vučinić, 2023, p. 287).

3. Tendency of agencification

The agencies were created based on the ideas of the New Public Management doctrine and represent a kind of transformation of public administration work following new values – responsibility for results, transparency, efficiency and economicalness, increased competitiveness of public administration work, decentralisation, etc.

Since their origin in Anglo-Saxon countries, (public) agencies have expanded their operations, both in the developed countries and in the so-called developing countries, which saw the public agencies as an opportunity to reorganise and modernise their administration. Therefore agencifications can be seen as a tendency or a global phenomenon because today there is almost no administrative system that does not have some form of agency. This process gave rise to agencies as units of public administration with different powers, organisational characteristics, various legal statuses and various degrees of independence and linkage with the state administration.

The tendency of agencification may be first discussed in terms of expanding the agency model of public administration, where a significant portion of business and tasks are transferred from the scope of state administration to new organisational administrative units through public authorisations. In this sense, agencification becomes an international trend that reaches its global peak at the end of the 20th and the beginning of the 21st century. Such a concept favours the decentralisation of administration (functional criterion), where an increasing number of bodies (agencies) perform various administrative tasks.

Secondly, agencification also means an increased number of agencies operating in one administrative system. In this context, the term "de-agencification" is coined, to denote an opposite process to agencification, i.e. the reduction of the number of agencies. Too many agencies, i.e. their "hyperproduction" may question their efficiency and rationalisation.

In such an environment, the main issue is the relationship between agencies as new performers of administrative tasks and the executive power, that is, the issue of the agencies' independence, responsibility and control. Many agencies undoubtedly question the possibility of effective institutional and political control of their work. Agencies are becoming the basic organisational form of public administration, increasingly taking over the functions of classical state administration. A question of autonomy and control of agencies is thus becoming the basic issue of the agency model of administration (Pollitt & Bouckaert, 2004).

The complexity of this issue is determined by the existence of agencies with different legal regimes and statuses within the same legal system, and also comparatively by the existence of specificities of national legal systems and their legal traditions, socio-political, economic context and other factors.

4. Administrative reform in the Republic of Serbia

At the beginning of this century, Serbia was swept by a reform wave, which initiated the process of transformation of the state administration and numerous social changes (Jovanović, 2016, p. 138).

Accumulated problems first led to a change in the political landscape in the country, and then to a new political course shaped by the ideas of the state's openness to the world and membership in important international political and economic organisations. Serbia's membership in the European Union was set as a priority. At the same time, Serbia undertook numerous obligations aiming at harmonising domestic regulations with the European Union law, that is, harmonising with international legal standards.

The reform of the state administration, and subsequently the public administration, is placed high on the list of priorities of the new political leadership. In this sense, important documents, strategies and action plans were adopted, and the new regulations afterwards also changed the legal framework for performing administrative activities.

First, the reform of the state administration was initiated, and then the reform of the entire public administration. The State Administration Reform Strategy (period from 2004 to 2013) and the Public Administration Reform Strategy (in 2014) were the documents that foresaw a series of specific activities aimed at providing a necessary legal framework for the state administration and local self-government systems to function, as well as "fine-tuning" of the adopted legal framework, institutional and professional strengthening of administrative capacities, and also to relate the process of public administration reform with the process of European integration (Public Administration Reform Strategy in the Republic of Serbia, 2014).

Later, other strategies were also adopted, covering different time frames and referring to the development and reform of administration in respective fields. A new Law on General Administrative Procedure (Law on General Administrative Procedure, 2016) was adopted, new laws were adopted for other administrative sections, and certain activities were undertaken to reform judicial control of administration – reform of administrative disputes. A new Law on Administrative Disputes (Law on Administrative Disputes, 2009) was

adopted, and the newly established Administrative Court began operating on January 1, 2010, as a court of special jurisdiction.

In light of the consideration of the question of whether the process of public administration reform necessarily requires public agencies as new subjects of public administration, we must consider the objectives included in the aforementioned strategies. Namely, while in simplified terms the main objective of the Strategy (Strategy for the Reform of Public Administration, 2004) was to establish a legal framework for the operation of the system of state administration and local self-government through the adoption of numerous regulations and determining the direction of further changes. In another important document – the Strategy for the Development of Public Administration, it is emphasized that "The Government views the reform of public administration and European integration as two interconnected and conditioned processes. Although there is no corresponding acquis communautaire in the field of public administration systems at the European level, certain principles and standards of the European Union have been adopted and exist – the principles of European administrative law, or the principles of the so-called European Administrative Space. However, it is necessary to establish certain public agencies as independent regulatory bodies because this is required by European regulations – a directive or other EU regulation (e.g. an independent regulatory body in the field of telecommunications). The goal of the public administration reform is to fully introduce and apply the aforementioned principles of the European Administrative Space in the domestic public administration system, in order to achieve the high goals set by the public administration reform."

Without a direct obligation to establish public agencies, the mere alignment with EU law has led to a situation where the establishment of these public law organizations constitutes the adoption of certain European standards when it comes to the functioning of public administration. The general goal of the reform in the aforementioned strategy is "further improvement of the work of public administration in accordance with the principles of the so-called European Administrative Space". The specific objectives of the strategy relate to: 1) improving the organizational and functional subsystems of public administration; 2) establishing a harmonized merit-based civil service system and improving human resources management; 3) improving public finance management and public procurement; 4) increasing legal certainty and improving the business environment and quality of public service provision; 5) strengthening transparency, ethics and accountability in the performance of public administration tasks.

In domestic legal theory, reasons such as increasing legal certainty, improving the business environment and the quality of public service provision, as well as strengthening transparency, ethics and accountability in the performance of public administration tasks, are highlighted as advantages in the work of public administration that can be achieved through public agencies.

5. Public agencies and agencification in the Republic of Serbia

Formally, public agencies were introduced in the Republic of Serbia by the Law on Public Agencies (Law on Public Agencies, 2005). By the stated law, the agencies are termed as organisations established for the development, professional or regulatory affairs of general interest, in case the development, professional and regulatory affairs do not require constant and immediate political supervision and in case a public agency can perform the work better and more effectively than a state administration body, especially in case they can be financed entirely or predominantly from the money paid by service beneficiaries (Article 1 and 2).

In terms of the legal definition of the tasks that a public agency can perform (including professional tasks), it is similar to special organizations, since administrative or special organizations are a special type of organization established by the state to perform professional and related administrative tasks (Rapajić, 2019, pp. 151–187).

There is considerable confusion when it comes to the theoretical positions on the legal nature of public agencies and the use of the term agency itself. As Professor Milkov notes, public agencies can be formed as special organizations, and on the other hand, some are very similar to state administration bodies. Likewise, current legal formulations may lead to the conclusion that there are two types of agencies – those with the status of administrative bodies established under the Law on Ministries, and those established under the Law on Public Agencies (Milkov, 2016, p. 86).

In our further work, precisely because of the mentioned issue, we will limit ourselves to public agencies that are established under the Law on Public Agencies, as public agencies in the narrower sense.

Public agencies appeared and started to operate even earlier, before the Law on Public Agencies, based on special decisions of the Government (e.g. the Agency for Administrative Reform) and special laws (e.g. the Law on the Privatization Agency, the Law on the Agency for development of small and medium enterprises) (Lilić, 2014, p. 236).

At that time, one of the objectives of the state administration reform was an optimisation of the personnel structure of the state administration bodies (reduction of manpower) and thus the costs that were reflected in the "state coffers", but also the "reduction" of the inefficient state apparatus in an organizational sense, by transferring state administration tasks to some new public administration entities.

Indisputably the basic idea was to relieve the state administration and that the entrusted tasks are carried out more efficiently than earlier. As stated by Professor S. Lilić, *Ratio legis* for the establishment of public agencies as independent and organizationally independent structures is the need to perform the entrusted tasks more efficiently, economically and cheaply, as well as to enable more effective implementation of the public interest (Lilić, 2014, p. 236).

At a certain moment, introduction of public agencies appeared as a solution to achieve several goals. Firstly, creating specialised organisations contributes to professionalisation and expertise in performing entrusted tasks, to an increase in professional responsibility and work efficiency. Also, emphasising certain tasks of administration that are now the primary activity of specially formed organisations puts the result of their work in the foreground. The very nature of such agencies and the legal framework that regulates their work give a certain degree of flexibility to the work.

Secondly, a very important aspect relates to the proclaimed autonomy and independence toward political factors. Namely, the just-mentioned professionalisation and expertise, i.e. the introduction of professional standards should enable a significant degree of resistance to everyday politics and the changes it brings. Working under the determined public procedures, established on the consensus of relevant social factors and transparency in work contributes to their beneficiaries' safety and trust in the services, as well as solving problems (regulation) in the areas under the jurisdiction of the agencies. All of the above assumes independence from classical political influence and other "unauthorized" pressures, at least when it comes to exercising entrusted powers.

There is not much to complain about this theoretically designed concept of new subjects of administrative activity in the field of public administration. With a clear goal and precisely formulated role, public agencies can contribute to the overall transformation and modernisation of administration and to the achievement of high standards of public service provision.

However, the danger threatening to besmirch the entire process of introducing public agencies concerns the possible motives for their

establishment. There are hidden (lucrative) motives such as: avoiding regulations related to state administration (financial, organisational, personnel), intending to enable higher earnings and satisfy political appetites (by opening positions to reward political allies); a possibility to shift responsibility for policy implementation to an agency when things go wrong; apparent reduction of state administration by transferring officials and duties to agencies; strengthening the legitimacy of the government by imitating modern organisational forms (similar to the private sector); creating separate generators of yields (financial, informational, personnel) that can be used for different purposes (Musa, 2017, p. 27).

The above problems concern both the developed countries of Europe and the countries in so-called transition where these risks are particularly present. Reform processes in these countries become a particularly sensitive issue. Privatisation failures, insufficiently transparent public-private partnership projects, dubious tenders, so to speak, and general problems with corruption are just some examples of abuses and hidden motives. In this sense, public agencies do not have to be an exception.

In addition to the number of public agencies and their so-called optimal number, which is an issue directly related to the economy and efficiency of public administration work, the question of their control or responsibility is very important, particularly in the context of their independence and autonomy. The work of agencies is directly related to the public interest, and this should be the main criterion and a starting point when it comes to controlling their work, the scope and the type of established control. The question of their control is closely related to their relationship with the state administration, the Parliament and the Government.

As stated earlier, agencies established within the state administration represent a special category of agencies in a broader sense and we will not consider them here. Their work is directly subject to administrative control (ministries). Agencies established under the Law on Public Agencies, and under other special regulations, are agencies in the narrower sense and they are the main subject of interest in this paper. That's why we will focus the work on this category of subjects, especially when it comes to the issue of control and responsibility. We distinguish between the institutional mechanism of legal control and the work responsibility of public agencies.

Depending on the nature of the entrusted powers, on whether it is development, regulatory or professional work, the nature of control also differs. According to the Law on Public Agencies, a public agency, as a public authority, can be entrusted, by a special law, with: 1) passing regulations for

the execution of laws and other general acts of the National Assembly and the Government; 2) resolution in the first instance in administrative matters; 3) issuing public documents and keeping records (Article 3).

There are not many provisions in the law about the development work of public agencies and their control. These are activities that consist of encouraging and directing development in the areas of the public agency's scope, of assigning and distributing financial incentives and other development funds, of undertaking measures that the public agency is authorised for by a special law and of other activities determined by the act on the establishment of the public agency under a special law (Article 36). Inherently, the public agency reports to the authorised ministry about the budget allocation and distribution plan, the achievement of the set goals and other measures and activities undertaken to achieve the set goals, through annual work reports, reports on financial operations or other types of reporting, complying with the parent law on public agencies or the special law by which it was established.

Legal control (legal instruments) usually means a higher instance control in the administrative procedure by applying an appropriate legal means, when the public agency is entrusted with the public authority to resolve administrative matters in the administrative procedure. Here we see a direct connection between the agency and the ministry in charge of the agency operations. The agencies who pass final decisions in the administrative procedure are subject to (more precisely, their decisions are subject to) judicial control in the administrative dispute.

Broadly speaking, legal control does not only include direct control of acts but also other instruments. Business control is carried out through a legal financial instrument – an audit. Ministries impose controls over the implementation of regulations governing public finances and financial and accounting business; application of regulations on the official use of language and script; application of regulations on office administrtion; application of regulations related to customers and beneficiaries; application of regulations on the professional qualifications of employees. They are all resolved in an administrative procedure and by authorisation to settle the matters in the administrative procedure (Article 44 of the Law on Public Agencies).

In a situation where a public agency has the authority to enact general regulations in order to implement laws and other general acts of the National Assembly and the Government (Vučković, 2013, p. 132), the agency is obliged to obtain an opinion on constitutionality and legality of the regulation, from the ministry in charge of the public agency affairs before publishing the regulations. The ministry is obliged to submit a reasoned proposal to the agency on how to

harmonise the regulation with the Constitution, law, regulation or other general act of the National Assembly and the Government (Article 43).

The question of the responsibility of public agencies is conceived in a slightly different way. Namely, responsibility is defined as being accountable for one's actions and it can refer to individuals as well as to organisations or collectivities. In our language, calling to account usually has a negative connotation and presupposes behaviour deviating from some previously established criteria, standards and goals. In this regard, the responsibility of public agencies can be established when the goals previously set to be the reason for establishing an agency are not fully met. The responsibility of public agencies is directed towards the ministries, the Parliament and the government. But since the agencies are not formally in the state administration system, they are not directly subordinated to these entities. The meaning of responsibility is the very relation between independence and autonomy and at the same time accepting the consequences of one's work. This is a very sensitive issue considering their autonomy, but at the same time concerning the fact that they are subjects of public administration whose work is closely related to the public interest.

In the Law on Public Agencies, one of its articles stipulates that a public agency is independent in its work and that the Government cannot guide the work of a public agency, nor coordinate it with the work of the state administration. However, the provisions on the director, i.e. cases of termination of his work and the reasons for his dismissal, relate the director's responsibility to the ministry and the Government as the founder at the republic level. This relationship is also seen in the provisions on the protection of public interest in the work of a public agency, where responsibility can be sought within the rights of the founder, supervision of the public agency regulations, spending the allocated funds, relationship with beneficiaries of agency services and reporting, etc.

6. Conclusion

Public agencies as organisational units of administrative activities have been developing since the 80s of the last century, both in terms of acceptance from the national legal systems and in terms of their number in the countries where they originated. The concept of agency public administration arose from the relations between the state and society, shaped by neoliberal ideas, i.e. the New Public Management doctrine, which primarily emphasises rationalisation, efficiency and economicalness as top ideals of the administration.

International agencification reached its peak in the years before and after the beginning of the new millennium, especially if Eastern European countries that have gone far in the EU integration process were included in this trend.

The experiences from different countries show that public agencies and administrations based on the agency model can be a good model of transformation and reformation of the entire administration, in case the right measure is found in their number and autonomy, and also in the powers that are transferred to them and the mechanism of legal control and their responsibilities.

The aforesaid statement stemmed from the positive results achieved in the work of these public administration units. It is primarily seen in their specialisation and expertise in performing certain tasks, impartiality in their work and especially in resistance to political influences and pressures or everyday politics. All of the above should help their democratic legitimacy and the trust of their service beneficiaries.

Besides the good sides, there are also some dangers encountered in practice. Firstly, we can single out the inappropriate control mechanism for these units, in other words, their responsibility may vanish without proper control instruments. Where there is no responsibility, there is no concern for the results, so there is room to discuss the legitimacy of certain agencies. Then, the control mechanism itself must be such to allow the necessary autonomy of these agencies to the right extent, in order to achieve the purpose they were founded for.

Autonomy does not only mean independence from the state actors (ministries, government and parliament) but also from the subjects in the areas whose relations it should regulate. In this sense, functional independence also means that the agency works free from political and any other unauthorised influence on its work.

Political influence over the work of the agency, in a way that favours the political elites and their related interest groups, is usually made when employing politically suitable staff, rewarding them with higher incomes and jobs in these organisations, etc. as already mentioned in the paper.

This is especially true in transition countries, where the Republic of Serbia still belongs. The establishment of new organisational entities, especially if there are many of them, can help meet various political goals, and after all, an illusion of reducing the state administrative apparatus.

In the national administrative law, there are different interpretations of the results of introducing public agencies into the national legal system. Most theoreticians emphasise positive aspects of the agency approach

to reforming state and public administration. Higher efficiency in work, reduction of administrative costs, relieving the state administration, professionalisation and higher expertise in performing tasks, better regulation, trust of beneficiaries, etc. are put in the forefront. However, there is also an opinion that the agencies are the product of bad intentions and a wrong direction in the reform administration process. The arguments for this position concern our administrative tradition, developed under the influence of French and German legal schools, where agencies as institutions did not even exist.

The position and role of such (new) organisational entities, which did not previously operate within the state administration system, are not sufficiently clear and defined. Agencies thus provide a good ground for various unacceptable goals and evil intentions. Also, agentification is seen as a trend, more precisely as a trendy model, which does not serve to satisfy any objective needs.

However, looking at the legal systems in the leading countries of the Civil Law tradition, we can see there are many organisations that can be grouped under the well-known concept of public agencies, to perform numerous functions in various fields. They also operate in the European Union.

Closing the discussion and taking the presented facts in consideration, we can conclude that the agency approach to modernisation and transformation of public administration has become a suitable way of achieving the goals set before the administration of the modern era. What will be the *de facto* reach is a question that depends on many factors, first of all on the legal regulation of their position, more precisely legal instruments that guarantee their responsibility, quality of work, transparency and effective participation of service beneficiaries.

The aforementioned is not easy to achieve if the guaranteed autonomy is taken into account. The guaranteed autonomy serves to achieve the above-stated goals, and the responsibility should also guarantee the same.

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UPRAVNA REFORMA I AGENCIJSKI MODEL JAVNE UPRAVE

APSTRAKT: Upravna reforma u različitim zemljama uslovljena je različitim društvenim, političkim, ekonomskim i faktorima. U tom smislu, ne možemo govoriti o istovetnim razlozima reforme za svaku državu, ali ono što je zajedničko u svim slučajevima jeste kriza državnog upravljanja, te potreba da se postojeći sistem promeni, državni intervencionizam smanji, a efikasnost i produktivnost poveća. Termini efikasnost i produktivnost u kontekstu države i njenog upravnog sistema poprimaju drugi kvalitet, i imaju nešto drugačije značenje nego kada je to slučaj u uobičajenom kontekstu u kojem se koristi, a što je produkt povezanosti sa javnim interesom. Reforme koje su sprovedene u bivšim socijalističkim državama pak imaju drugačiju pozadinu i delom su rezultat želje za brzim ekonomskim napretkom, dok su delom iznuđene promene koje zahteva Evropska unija. Bez upuštanja koji od ovih razloga imaju prevagu, autor će se u radu baviti razlozima koji su doveli do potrebe za novim modelima javne uprave koji treba upravo da prevaziđu krizu državnog upravljanja, novim modelima javne uprave, sa posebnim osvrtom na agencijski model javne uprave koji je poput trenda svoju primenu našao u velikom broju zemalja. Ovaj model javne uprave je svoju široku primenu i mesto našao i u slučaju upravne reforme u Republici Srbiji i možemo reći da je svojevrsni model reforme javne uprave kada se ima u vidu njihova uloga i brojnost.

Ključne reči: *kriza državnog upravljanja, upravna reforma, modeli javne uprave, upravna delatnost, javne agencije.*

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