

PUBLIC SECTOR REFORMS

METHODOLOGY FOR ASSESSING THE ACTIVITIES OF LOCAL AUTHORITIES TO PROTECT THE PUBLIC INTEREST

Milena Stefanova¹

Abstract

The article answers 5 questions about the contemporary understanding of the public interest and proposes a methodology for assessing the activities of the local authorities to protect the public interest in the management and disposal of municipal property.

Key words: *Public interest, assessment of activities, local government*

This research seeks to address the question of whether and how public interest is being defended in local government. There is no doubt that local authorities must work to protect the public interest, but the answer to this is far from easy. The goal is to demonstrate that it is possible to assess the work of public authorities by using the concept of good governance. Although we are talking about a single concept, there are actually different understandings of good governance. Therefore, in order to achieve the goal, we analyze and evaluate existing views on the issue. The choice of principles of good governance that will be the basis of the methodology for assessing the activities of local authorities to protect the public interest is determined by the specifics of local government.

We initially focus on clarifying the possible approaches to defining the concept of "public interest". The review of the different definitions, the existing classifications, the comparison of the concepts of public interest, public good and public benefit, as well as the non-abating interest of social researchers in the subject matter, allowed a multifaceted and integrated approach to define the concept of "interest". We counter and defeat the arguments of various scientists and researchers for the methodological helplessness of the concept of "public interest"². Critics of the classical theory of public interest point out that a unified definition of the concept cannot be achieved. If the goal is, however, not to achieve such a unified and commonly accepted definition, but to include different points of view in a theoretical scheme, the contradictions are overcome. They are transformed from contradictory to complementary, and the theoretical scheme shows the broad possibilities of applying the notion in research and analysis of political practice.

¹ Milena Stefanova is a Professor, Dr.Habil (PC) at the Department of Public Administration, Sofia University "St. Kliment Ohridski"

² *McHarg, Aileen*, Reconciling Human Rights and the Public Interest: Conceptual Problems and Doctrinal Uncertainty in the Jurisprudence of the European Court of Human Rights. In: *The Modern Law* Vol.62, N 5 (Sept. 1999), *Benditt, Theodore M.*, The Public Interest, *Philosophy & Public Affairs*, Vol. 2, No 2, (Spring 1973), *Wolson, A*, Public Interest Lost? In: *Daedalus*, Vol. 136, No 4, In the Public Interest (Fall, 2007), *Sorauf, Frank J.*, The Public Interest Reconsidered, *The Journal of Politics*, Vol. 19, No 4 (Nov. 1957), *Held, Virginia*, *The Public Interest and Individual Interest* (New York: Basic Books, 1970), *Berry, B.* Political argument, New York (1967), *James, Michael*, Public Interest and Majority Rule in Bentham's Democratic Theory, *Political Theory* 1981; 9, *Munger, Michael C.*, Self-Interest and Public Interest: The Motivation of Political Actors, *Critical Review*, 2011, 23:3.

In today's research there is a tendency to look for much more pragmatic definitions of public interest. In 2007, Barry Bozeman³ launched the statement that anyone interested in institutional reform or policy change should adhere to some theory or concept of public interest.

The term is traditionally used in both legislation and political campaigns. There is a need for certain requirements in relation to the implement differentiation of policies and actions in the name of public interest. The attention of the public is focused on the public interest. Moreover, criticisms of public interest theory are usually limited to lack of specificity, and any attempt to explain the public interest leads to an ideal rather than a scientific-instrumental construction. If the public interest and public values are compared, the difference is obvious - the former is an ideal and the second is something specific and easily identifiable. Bozeman accepts as a working concept the understanding of the public interest as directly related to the results of policies that lead to long-term survival and well-being of society⁴. According to him, the idea of an ideal to be followed is preserved. Although this concept cannot describe any policy, it can serve as a rationale and motivation for every policy.

The theoretical scheme we propose to define the concept of "public interest" is based on 5 pillars, which are in fact the answers to the following questions:

First, what is the public interest?

Second, what is in the public interest?

Third, who determines the public interest?

Fourth, how is the public interest achieved?

Fifth, how do administrators and politicians work to protect the public interest?

It is most difficult to answer the first question - what is the public interest? This is also the most abstract level of definition of the concept and it can only be in the sphere of philosophical understanding. Let us assume that public interest is all that affects every individual as a public subject and object, while at the same time affecting the audience as a community/ies based on shared values. In other words, public interest is what affects everyone as a whole and each one individually in extent manner and to an extent determined by citizens' actions and the responses of state institutions. This means that the subject and object of public interest are relational dimensions⁵ that are subject to constant correction, in accordance with the spirit and the results of the interaction between the public and the institutions.

The so understood, notion of public interest does not exclude anyone and anything. This understanding enables the concept to be applied to every possible field of study of the "thing" that affects everyone in their public aspect. This makes it possible to explain the aspirations of different theories to explain public interest as a moral imperative, such as superior wisdom, as a compromise, such as imposing the will of the majority, and so on. Within such an understanding of public interest, it is also permissible that private and public interests exist as mutually conditioned, and that the motivation of behavior of individuals and groups can at the same time be driven by personal / specific interests and by the public interest.

The answer to the second question - what is in the public interest? - is of a lower degree of abstraction and has a connection with the notion of human action. Thus we can assume that an action in the public interest is any action that leads to the realization and protection of the public interest. The action has a subject and an object and its two characteristics are related to the creation of different social relations. The object of the action may be anything that is in the

³ Bozeman, Barry, *Public Values and Public Interest: Counterbalancing Economic Individualism*, 2007, Georgetown University Press.

⁴ Ibid., p. 11.

⁵ Naydenov, Nikolay, *Public and Politics: An Introduction to Political Anthropology of Modernity*, University Publishing House "St. Kliment Ohridski ", S., 2008, 75-87.

public interest, but the actors, their intentions, the tools and the means they use in the action are important. Therefore, the assessment of whether an action is in the public interest requires a correlation between objective and outcome to measure the effectiveness of the action. The next step would, of course, be to place certain requirements on the action pursuing the result and to identify the costs incurred to achieve a result or measure the effectiveness of the action. This is closely related to the answer to the fourth question, namely how to achieve the public interest, which confirms the assumption that a contemporary understanding of this concept is only possible in the overall clarification of the questions raised.

The answer to the third question - who determines the public interest? - leads us to the known maxims of "the will of the majority" and "consensus through compromise". In representative democracy, the need emerges for political actors to gain voters' confidence to a degree that allows them to form a majority in decision-making bodies. Party messages that match voters' expectations and are in the public interest can help raise support, but it is just as motivating to nominate candidates who appeal because they are part of the elite or are leaders. The role of leaders in formulating policy proposals, as well as that of representatives of the elite for leaders, are extremely interesting issues, but they do not give us reason to assert that it is the leaders or the elites who formulate the public interest. Defining the public interest is more about the mechanisms the community creates to make decisions about public interest, but not only. The classic version of democratic decision-making is based on the will of the majority, whether it is in the form of representative or direct democracy. The more difficult to achieve the majority is, the more the public interest is guaranteed. Majorities are different and apply to matters of varying importance. A simple majority (more than half of those present, subject to a quorum for voting) is the easiest and should be applied in decision-making on issues that do not affect community-relevant relations. A simple qualified majority (more than half of the community / decision-making group) already requires a higher degree of agreement, and essential issues can be dealt with through such a procedure. A complex qualified majority (usually requires the support of two-thirds or three-quarters of the decision-making community / group) implies an extremely high degree of agreement and should be applied in the decision-making process of public interest. Of course, if we extend the importance of public interest to very broad areas of competence, the implementation of a decision-making procedure with complex, qualified majority would greatly hamper the work of the community / decision-making group. For the simple reason that different parts of the community can express and support different ways of reaching the public interest and that, in addition to the public, other specific interests can be formed in the groups that can contradict and confront themselves. In a confrontational environment, some scientists say, it is best to implement consensus-building procedures. But other researchers are of the opinion that consensus can not exist. It helps to achieve a balance of interests, which in itself is also in the public interest, as it overcomes the confrontation and gives a chance for development. The balance of interests is based on the compromise achieved through negotiation. Many call this process to overcome differences or make a deal, while others tend to be skeptical at all about the possibility of balancing interests and consider it to be a form of a quid-pro-quo agreement. There is only a small step from this to an actual shadow government which puts private over public interests, and the borders can easily be crossed. To overcome such risks, rules are put in place to implement and ensure the publicity of the actions.

The answer to the fourth question - how is the public interest achieved? - involves reflections in several areas. First, researchers and policy analysts recognize that there is a close link between politics and public interest. "The political and public spheres, the private interests and the public interest, which are opposed in theory, are inseparably linked in the public facts. Politics "radiates" the public interest, creating the "public contract" that underpins its

interpretation. In turn, the public interest, turning it into concrete political measures and bringing them into society through legitimate institutions, changes and shapes politics.⁶ " This understanding is undoubtedly related to the other issues we have asked, but it also shows the need for concrete actions to reach the public interest. Secondly, how to select the right tools - for policy formulation, the means by which policies are implemented, the mechanisms through which policy implementation is monitored, indicators that take account of achievement of objectives, cost of output, and the like is extremely important for the public interest.

The answer to the fifth question - how do administrators and politicians work to protect the public interest? - is among the most important and may be key to protecting and guaranteeing the public interest. With the vague possibility of reaching agreement and imposing the choice through the majority right, it is important that any management and administrative action is subject to clear and specific rules. Even more significant is the existence of rules in public governance, also called "responsive governance" as a modern form of organization of the work of the administration⁷. The requirement for professionalism in action needs a clear definition of professional conduct, but this by itself is not enough to convince citizens that the actions of politicians and administrators are in the public interest. And while the majority of decision makers in politics change, the administration is expected to be a more constant feature, and accordingly to work loyally on the preparation and implementation of decisions. In such a situation, naturally, the question arises how the administration works and not what the administration is doing. Firstly, there is the rules of action. These are rules for all action, and not action-specific rules. Is it possible, however, to have such general and universally applicable rules of action for the administration? Why then, for example, the job descriptions of administrators are different and include different requirements for occupying different positions, as well as different responsibilities for employees? In this case, we talk about the administration as a collective concept, as a structure whose work should be subject to common and universally applicable rules. In other words, these are the principles of the administration's work. In addition to providing for the administration to carry out its activities in the public interest and in accordance with the Constitution and the laws and other normative acts, the legislator has provided for its work to be subject to the principles of lawfulness; openness and accessibility; responsibility and accountability; efficiency; subordination and coordination; predictability; objectivity and impartiality; Continuous improvement of quality. These general and universally applied principles are directly related to the public interest as they seek to place the work of the administration at the service of the citizens. Each of the principles implies that it is specifically written down and protected by a series of rules and norms that employees must observe and apply in their practice. By monitoring the performance of administrators' work, compliance with the rules is monitored, and rules are provided to prevent violations of the principles, as well as sanctions for offenders. Performance monitoring should be based on specific indicators that track the implementation of the principles. Performance monitoring may be linked to the work of a particular employee, the work of a particular unit in an administrative structure, or the work of the entire administrative structure. In addition, it may be targeted to a specific area of competence or aim to monitor the overall performance of the tasks of a given structure.

The more we reduce the degree of abstraction in identifying the public interest and the related issues, the more the opportunity to create reliable methodologies for measuring and

⁶ Braykova, T. Public Policies, UPH "St. Kliment Ohridski ", S., 2003, p.15.

⁷ Alexander Marinov compares the three paradigms for public administration in his book "The Administrative Elite of the 21st Century", Ed. "Sibi" 2010, 69-70. It is about the public government that the work of the administration with the various stakeholders and the obligatory participation of the citizens in the management process is typical.

assessing processes, actions and results arises. This has the best applicability in measuring and evaluating the activity of administrators and politicians. In fact, this is also one of the most important things that ensure the achievement and protection of the public interest. Any good intention can be easily corrupted by selecting the wrong means, tools and people to do it.

The main conclusion of the first chapter is that a modern understanding of the notion of public interest is possible by applying a complex, integrated approach to its definition. This "opens the doors" to its use in both theoretical and practical research.

In order to establish a methodology for assessing the activities of local authorities to protect the public interest, it is necessary to see existing methodologies. The most widespread, of course, evaluate democracy as a whole. Since evaluation is important not only for researchers and managers, but above all for citizens, at least two things have heuristic value. First, the idea of analyzing management practices in the moral categories of "good" and "bad", insofar as ordinary people are the easiest to be involved in such an explanation. Secondly, the analysis of the quality of democracy should be organized in terms of procedures, content and outcome of the management bodies. Of course, precise operationalization of the indicators on which the assessment is made is necessary.

The different approaches to creating indexes that measure progress are critically evaluated. Special attention is paid to well-known local evaluation methodologies: "Local Democracy Assessment", "Local Integrity System", and the Council of Europe Local Label on Innovation and Good Governance. The conclusions of the analysis show that the three methods for assessing democracy and local activity have deficits that can hardly be overcome. The state-of-the-art Local Democracy Assessment Framework (SoLD) developed by IDEA is designed to facilitate and assist the citizens who are at the core of democracy. Through this framework they appreciate democracy as they have built it. This evaluation methodology is, at first glance, very useful because it has the citizens at its center. In principle, IDEA's framework for democracy assessment calls for universality, comprehensiveness and flexibility insofar as it builds on basic values and principles but allows national evaluators to set their own standards and benchmarks to report progress or regress in the development of democracy. This peculiarity of the methodology strongly impedes comparisons, unlike the democracy assessment indices. In some of the guidelines for the application of the methodology, examples are given for the application of rocks to the typical 5 degree assessment scales (eg "very high, high, incomplete or ambiguous, low, very low") without linking to specific indicators to form the appropriate assessment. Accordingly, when applying such a scale, we only take into account the opinion of respondents, whether they are ordinary citizens or experts. It is unclear what is behind the assessment as a requirement for it to be placed.

The Index of the Local Integrity System was developed by the Transparency International⁸ methodology for assessing the anticorruption capacity of key institutions and social actors at the local level: municipal council, mayor, municipal administration, business, media, political parties, civil organizations, court and police. The index gives an insight into the state of the environment in which people work and live in terms of observing certain principles and norms of integrity. To some extent this is also related to the assessment of the work of local authorities with a view to protecting the public interest. The nine listed pillars are assessed in three dimensions: a common capacity for action, a role in strengthening the local integrity system, internal working rules in the categories of transparency, accountability and integrity. The

⁸ The methodology and results of the survey of 27 regional centers in Bulgaria for 2015, 2016 and 2017 are published at <http://lisi.transparency.bg/>.

rating scale is five-digits, with the lowest score 1 representing a poor performance and the highest score of 5 - a very good performance.

The methodology of the Index of the local integrity system undoubtedly provides opportunities to highlight the specifics of the environment in different municipalities. This index, however, is not enough to say whether local authorities work to the benefit of public interest or not. When the environment of the local system of integrity is not good, obviously there is growing suspicion of abuse, creating opportunities for realization of a private one that is contrary to the public interest. Conversely, when the local integrity system has a high index, doubts decrease. The main merits of reducing doubts come, of course, from publicity, transparency, legality and professionalism in governance.

The principles of good governance. The concept of good governance is almost as old as the concept of public interest, and the two concepts have no unambiguous definition. At the same time, they are closely related. Both are present in the aspirations of lawmakers, politicians and governors to create rules and order for their implementation in state governance. Both are used in the assessment of institutions' activities, and various national and international organizations use them to assess the development of democracies in countries around the world. Special attention is paid to the 12 principles of good governance of the Council of Europe, which underlie the assessment of local authorities in the process of awarding a label on innovation and good governance at local level. The critical analysis of the evaluation methodology in this procedure has shown that it has significant deficits, both in terms of the operationalization of the principles of good governance and the scale for measuring the application of the principle in municipal practice. There are at least three important conclusions. Firstly, if the Innovation and Good Governance Label with its tools is designed to track the implementation of the Innovation and Good Governance Strategy at local level, it can not fulfill this role. Secondly, the operationalization of the 12 principles of good governance is not brought to clearly understood indicators, and the assessment scale allows for a blending of understanding and application of the principle, which blurs the content assessment and allows subjectivism. Thirdly, the self-assessment benchmark, which can not be compensated by the opinion of the citizens' representatives in the power and the citizens themselves, nor by the evaluation of the independent experts, is too heavy. In general, the label can not take into account the specificities of the individual municipality. The transfer of good practices or the unification of local governance can only be achieved in part and depends on the will of local authorities and the legal possibilities for implementing good practices. Nevertheless, the idea of linking principles of good governance with an assessment of local government activities to protect the public interest is useful.

The methodology proposed in the present thesis to assess the activities of local authorities to protect the public interest is based on the premise that specific areas of competence and specific activities of the relevant bodies should be measured and evaluated. The second necessary condition is to create two matrices - one is within the sphere of competence of the body and its activities and the other is based on universal principles of good governance that are operationalized according to a specific sphere of competence and the activities that the body must do.

The next step in the evaluation algorithm is to identify facts that prove the presence or absence of the relevant activities. It is not enough, however, to stay at this level. It is also necessary to take into account the degree of dissemination of the relevant operational principles of good governance in practice. There we apply an assessment scale of 0 to 4 where:

"No data" - 0

"Applied once" - 1

"Applies to a minority of cases" - 2

"Applied in most cases" - 3

"Always apply" - 4.

Estimates of each indicator are summed up and divided by the number of indicators, which gives an average estimate for the application of the principle. If the average score is higher or equal to one, the principle is assumed to be applied; if the average is lower than one, the principle is not applied in practice. If one of the principles is lower than a one, we can generally claim that local government in the specific area of expertise is not in the public interest. Quite hypothetically, the maximum rating that a municipality can get for the work of the authorities and the administration to protect the public interest within a sphere of competence is 20 and the minimum where there is at least some work done to protect the public interest is 5.

The selection of principles of good governance is extremely important for the successful application of the evaluation methodology. It is important to select principles of good governance that are equally applicable to each sphere of competence and to each activity. They must be uniquely universal and subject to operationalization and concretisation. Their selection was made through a comparative analysis of the content adopted in the concepts of international organizations - the UN, the EU, the OECD and the CE. Four principles have been selected, and these are not only present in each of the methodologies but also have similar content. The fifth principle is coherence. Although it is proposed and implemented as such in view of the complex and ever-expanding EU activity, it can be applied in practice to the activities of each individual Member State, to any institution - supranational, national or sub-national - insofar as it implies policy coordination and actions for their implementation, thereby achieving goals. This is very close to having a strategic vision, reaching agreement on priorities, creating conditions for consistency or sustainability of governance, as well as comprehensibility and inclusion.

We propose unambiguous definitions of the five principles, tailored to the local level specifics of the management system that are guided by the operationalization:

Openness - The work of local authorities is open and transparent to the community. Public information on the activities of the authorities and the administration is publicly available, except for the limitations provided for by the law. The information is provided through a variety of sources and is comprehensible to the community. Information shall be made public in a timely manner, including where public consultations are required before decisions are taken;

Participation - opportunities are provided to involve citizens at all stages of the management cycle in the municipalities. Practices for active partnership with the civil sector apply. Local authorities regularly and appropriately consult citizens, including issues of strategic importance for community development;

Responsibility and Accountability - Local authorities are responsible for their actions before the community and the law. They regularly publish reports on their activities;

Effectiveness and efficiency - Local government policies must be timely, responsive and guided by clearly set goals. Local objectives are achieved with a reasonable use of available resources;

Coherence - Policies and actions of local authorities must be coordinated with each other and with the community. They must be understandable and applicable.

Two levels of operationalization of the principles of good governance are offered. The table shown in Table 1 is universally applicable to any area of competence of local authorities.

Table 1. First degree of operationalization of the principles of good governance at local level

	<i>Princip</i>	<i>Indicators</i>
1	Openness	Public registers Publicly available various legislative documents, strategies, programs, decisions, mayor's reports, operational program of the municipal council, budget and report on its implementation and others. Free access of citizens during discussion and decision-making Publishing the acts of local authorities Various sources of information on the work of local authorities and the administration Information is provided in a language that is understandable and comprehensible to the community
2	Participation	The municipality promotes various mechanisms and tools for citizen participation Involved partners in the preparation of strategies, plans and programs Established public authority to monitor the implementation of strategies, plans and programs Rules adopted for the work of the public authority Periodic public disclosure of the results of the work of the public authority Regular consultations with citizens through various tools on community-related issues Conducting public discussions
3	Responsibility and accountability	The law is followed and the relevant procedures adopted as part of decision-making The administration executes the decisions within the legal deadlines The administration does not allow a conflict of interest Regular public reports from local authorities and the administration Regular public reports on the funds acquired and spent Regular public reports on the achievement of the goals set
4	Efficiency and effectiveness	Goals are consistent with circumstances and needs Assessment of the feasibility of the goals set The goal is achieved with spending the least public funds.
5	Coherence	The coherence and interdependence between different strategies, programs and plans and the budget of the municipality is analyzed when drafting and adopting municipal development policies

The second level of operationalization is tailored to a specific area of competence of local authorities.

When applying the methodology for assessing the activities of local authorities to protect the public interest, documents and materials published on the website of the respective municipality are used as a source of information. It is the official website of an institution that is intended to provide the public with all the information available on the work of the authorities and the administration. None of the principles of good governance imply neglecting the website; it is fully in the expectations of citizens to find information about the rules and practices of the municipality. Every citizen must have access to the information, and any expert can analyze and summarize, if of course, she has the necessary information to do so.

The sphere of management and disposal of municipal property has been selected for the verification of the methodology for evaluation of the activities of the local authorities in defense of the public interest. The reasons for this are several. First of all, this is the only area in which the powers are granted entirely and exclusively to local authorities. Since the adoption of the Municipal Property Act (IPA) in 1996, there is no scope for administrative intervention by the central executive in the work of local authorities. The regulation of their actions is only legal and judicial. This fact greatly facilitates the evaluation of the local government's policy with respect to municipal property, insofar as the political and administrative responsibility lies entirely with the municipal councils and mayors.

Secondly, there is a high degree of security with statutory instruments laying down operating rules – Municipal Property Act (MPA), Law on Local Self-Government and Local

Administration, municipal ordinances stemming from MPA, requirement to develop and adopt a strategy for management and disposal of municipal property, including annual programs for its implementation, as well as Ordinance No. 8 of 2009 on the approval of the models of the municipal property acts, of a Property File - municipal property, and of the registers provided for in the Municipal Property Act, and for determining the order for the compilation, maintaining and storing them.

Thirdly, in the presence of information, it is easy to track both qualitative and quantitative indicators as far as concrete and material things are concerned. Through a market valuation of the price, each real estate property or other piece of municipal property can receive be attributed a price.

Fourthly, exactly in this area, it is a great challenge to seek answers to the question of how the management and management of municipal property guarantees the requirement for "local communities to regulate and manage a substantial part of public affairs within the law, within the boundaries of their responsibility and in the interest of their populations".

Fifth, municipal property is a resource of lasting importance for the development of the municipality. Apart from the fact that a significant part of it is intended to satisfy the public needs of the local community, it is also a source of direct revenue for the municipal budget. That is why the political and management actions of the local authorities regarding ownership are one of the most important indicators for the assessment of the policy and the management in the municipality. To a large extent this determines the constant relevance of the subject of this study. It is not a coincidence that there is always considerable sensitivity of public opinion to specific decisions of local authorities on municipal property issues.

Sixth, in public-private partnerships (PPPs), municipal property is the most commonly used resource on the part of municipalities. Typically, such a decision by local authorities disturbs citizens by the public significance of the venture and usually the prevailing public opinion is that these partnerships are more in the private than in the public interest.

Seven, different sources of information can be used: the municipal regulations deriving from the MPA, strategies and programs for management and disposal of municipal property, as well as reports on their implementation, public registers of the municipal property and the deals with municipal property, reports on the implementation of the budget of the municipalities, audit reports of the Bulgarian National Audit Office, information on any municipal council decisions (on municipal property issues and other issues) contested by the mayor or district governor.

Table 2 shows the second step of operationalising the principles of good governance. These indicators first assess the regulatory framework in Bulgaria. An evaluation of the activities of the local authorities in 19 Bulgarian municipalities (randomly selecting municipalities out of each of the 10 categories of municipalities) is estimated, according to the number of the population in them. The municipalities are 19, as Sofia Municipality is the one and only municipality in its category. One of the municipalities in each category has a vague majority and the other has a structured majority within the municipal council as a result of local elections in 2015.

Tab. No. 2. Indicators for evaluation of the protection of the public interest in the management and disposal of municipal property - second degree operationalization.

	<i>Princip</i>	<i>Indicators - first grade</i>	<i>Indicators - the second degree</i>
1	Openness	Public registers Publicly available various legislative documents, strategies, programs, decisions, mayor's reports, operational program of the municipal council, budget and report on its implementation and others. Free access of citizens during discussion and decision-making Publishing the acts of local authorities Various sources of information on the work of local authorities and the administration Information is provided in a language that is understandable and comprehensible to the community	Public register of municipal property Public register of deals with municipal property Published Ordinance of the Municipal Assembly for management and disposal of municipal property Published Municipal property management strategy and programs Published Reports on the Implementation of the Strategy and the Programs Free access of citizens to discussing and deciding on ownership Regular reports on the implementation of decisions were published Publishing of acts by local authorities Diversified information sources - site of the municipality, media, information boards and others. Regulation on Citizens' Access to Discussion and Decision Making
2	Participation	The municipality promotes various mechanisms and tools for citizen participation Involved partners in the preparation of strategies, plans and programs Established public authority to monitor the implementation of strategies, plans and programs Rules adopted for the work of the public authority Periodic public disclosure of the results of the work of the public authority Regular consultations with citizens through various tools on community-related issues Conducting public discussions	Regulation / clarifications on possible mechanisms and instruments for citizen participation in the process of management and disposal of municipal property. Invitation from the municipality to the structures of the civil society and the business in the preparation of the strategy and the programs for management and disposal of the property Involvement of partners in the preparation of the strategy and programs Establishment of a public authority to monitor the implementation of the strategy and programs Rules adopted for the work of the public authority Developed indicators to assess the implementation of the strategy and programs Periodic public disclosure of the results of the work of the public authority Involvement of partners in the implementation of the strategy and programs for management and disposal of municipal property Practices for consulting citizens on property issues • Public discussions and hearings on property issues
3	Responsibility and accountability	The law is followed and the relevant procedures adopted as part of decision-making The administration executes the	The law is followed and the procedures adopted in the decision-making process The administration executes the decisions within the legal deadlines

		decisions within the legal deadlines The administration does not allow a conflict of interest Regular public reports from local authorities and the administration Regular public reports on the funds acquired and spent Regular public reports on the achievement of the goals set	The administration does not allow a conflict of interest Regular, public reports on municipal property Regular public reports on proprietary funds spent Regular public reports on the funds acquired through management and disposal of municipal property
4	Efficiency and effectiveness	Goals are consistent with circumstances and needs Assessment of the feasibility of the goals set The goal is achieved with spending the least public funds.	The goal is achieved with spending the least public funds. Requires a comparison of goals and results on the basis of a special methodology. It is possible to seek consistency between the objectives and results achieved in the Strategy and the Property Management Program, at the most advantageous price for the municipality and measuring the balance "given - acquired"
5	Coherence	The coherence and interdependence between different strategies, programs and plans and the budget of the municipality is analyzed when drafting and adopting municipal development policies	Linking the policy for management and disposal of municipal property to the Municipal Development Plan, the municipal budget and other planning documents at the municipal level

The results of the regulatory analysis outlined significant deficiencies in the principles of participation, efficiency and effectiveness and coherence - Table 3.

The results of the evaluation of the activities of the local authorities for management and disposal of the municipal property in 19 Bulgarian municipalities are shown in Table 4.

Tab. No 3. Correspondence of the normative basis with the second degree indicators for the assessment of the protection of the public interest in the management and disposal of municipal property

	<i>Princip</i>	<i>Indicators - second degree</i>	<i>Legal regulation</i>
1	Openness	Public register of municipal property Public register of deals with municipal property Published Ordinance of the Municipal Assembly for management and disposal of municipal property Published Municipal property management strategy and programs Published Reports on the Implementation of the Strategy and the Programs Free access of citizens to discussing and deciding on ownership Regular reports on the implementation of decisions were published Publishing of acts by local authorities Diversified information sources - site of the municipality, media, information boards and others. Regulation on Citizens' Access to Discussion and Decision Making	YES YES YES YES UNCLEAR YES PARTIALLY ⁹ PARTIALLY ¹⁰ YES PARTIALLY ¹¹
2	Participation	Regulation / clarifications on possible mechanisms and instruments for citizen participation in the process of management and disposal of municipal property. Invitation from the municipality to the structures of the civil society and the business in the preparation of the strategy and the programs for management and disposal of the property. Involvement of partners in the preparation of the strategy and programs. Establishment of a public authority to monitor the implementation of the strategy and programs. Rules adopted for the work of the public authority. Developed indicators to assess the implementation of the strategy and programs. Periodic public disclosure of the results of the work of the public authority. Involvement of partners in the implementation of the strategy and programs for management and disposal of municipal property.	NO NO ¹² NO NO NO NO NO NO
3	Responsibility and accountability	The law is followed and the procedures adopted in the decision-making process The administration executes the decisions within the legal deadlines The administration does not allow a conflict of interest Regular, public reports on municipal property Regular public reports on proprietary funds spent	YES YES YES YES YES

⁹ The provision of Art. 44, para. 1, item 7 of the LGLAA for six-month reports of the mayor before the Municipal Council for execution of its decisions.

¹⁰ The decisions of the Municipal Council are announced, but the acts of the mayor of the municipality are not.

¹¹ Upon request of the municipality, a procedure for participation of the citizens in the meetings of the municipal council can be written in the Regulations for the organization and activity of the municipal council and its interaction with the municipal administration.

¹² Only the obligation to announce the Strategy and the Program to the population and to publish them on the website of the municipality is introduced.

		Regular public reports on the funds acquired through management and disposal of municipal property	YES
4	Effectiveness and efficiency	The goal is achieved with spending the least public funds. Requires a comparison of goals and results on the basis of a special methodology. It is possible to seek consistency between the objectives and results achieved in the Strategy and the Property Management Program, at the most advantageous price for the municipality and measuring the balance "given - acquired"	NO NO NO
5	Coherence	Linking the policy for management and disposal of municipal property to the Municipal Development Plan, the municipal budget and other planning documents at the municipal level	NO ¹³

¹³ There is no explicit mention in the legal framework regulating municipal property in relation to this specific issue. We find a text in the Public Finance Act (Article 83, paragraph 1, item 3) through which the mayor of the municipality undertakes to prepare the draft budget in accordance with the "strategy, forecasts for the development of the municipality and the municipal plan for development adopted by the municipal council". As many different strategies are being developed and adopted as part of the municipalities course of work, it is not clear which one(s) this refers to.

4. Average assessment for municipalities on the five principles of good governance

Majorities in the MC	Municipality	Openness	Participation	Responsibility and accountability	Effectiveness and efficiency	Coherence
Without structured majority	Koprivshtitsa	1.5	0.0	1.5	0.3	1.0
	Gorna Malina	1.5	0.0	1.3	0.3	0.0
	Dve Mogili	2.8	0.0	2.0	0.3	0.3
	Levski	1.1	0.0	1.3	0.0	0.0
	Sandanski	1.8	0.0	2.0	0.0	0.3
	Petrich	2.1	0.0	1.8	0.3	0.3
	Vidin	2.8	0.0	1.5	0.0	0.0
	Dobrich	2.9	0.0	2.0	0.3	0.3
	Plovdiv	2.8	0.0	2.1	0.3	0.3
	Stolichna	2.6	0.0	1.8	0.3	0.3
With structured majorities	Kovachevci	1.3	0.0	1.8	0.3	0.3
	Srumpyani	2.6	0.0	2.0	0.3	0.3
	Sozopol	2.2	0.0	2.0	0.0	0.0
	Kotel	1.7	0.0	2.0	0.0	0.0
	Nova Zagora	2.6	0.0	2.0	0.3	0.3
	Dimitrovgrad	2.6	0.0	2.0	0.3	0.3
	Kiustendil	2.0	0.0	1.5	0.0	0.0
	Kurdjali	2.9	0.0	2.5	0.3	0.3
	Burgas	2.2	0.0	1.5	0.0	0.0

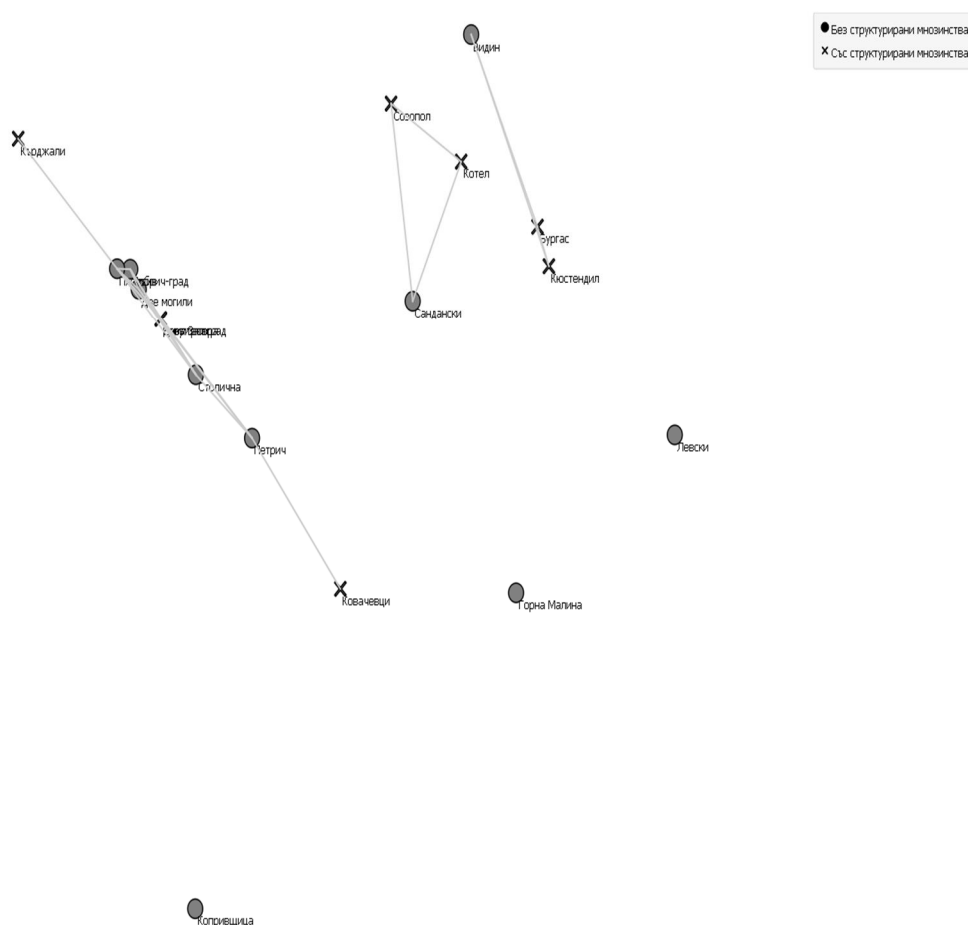
It is possible to rank the average municipal scores according to each of the principles, but this is the weakest method of analysis, insofar as it shows only which of the principles applied in practice the most successful for each of the listed municipalities. The deviation from the maximum possible value of the assessment - 4, shows how far the practice of the respective municipality is distanced from the "ideal" for applying the relevant principle of good governance. The evaluation model proposed presents the opportunity to group municipalities into clusters or so as to uncover common cluster characteristics. These general characteristics can then be checked as to whether there are factors that influence the creation of practices for the application of the principles of good governance in municipalities in the management and disposal of municipal property.¹⁴

Because of all of the zero scores on the participation principle, the study is in four-dimensional rather than five-dimensional space. According to the rules, we should announce that the chosen "participation" principle does not work. Yes, it does not really work because it is not regulated in the sphere of management and disposal of municipal property. However, the lack of legal regulation in a specific area of competence does not automatically lead to a revision of the methodology. Creating mechanisms for involving citizens in governance is essential for the sustainable development of democracy, especially at the local level. The lack of tradition of conducting public consultations in the sphere of management and disposal of municipal property has to be overcome, which is why the principle of "participation" is kept in.

¹⁴ I thank Assoc. Prof. Dr. Kaloyan Haralampiev for the ideas and assistance in choosing a method for analyzing the results of the evaluation of the municipalities for the application of the principles of good governance.

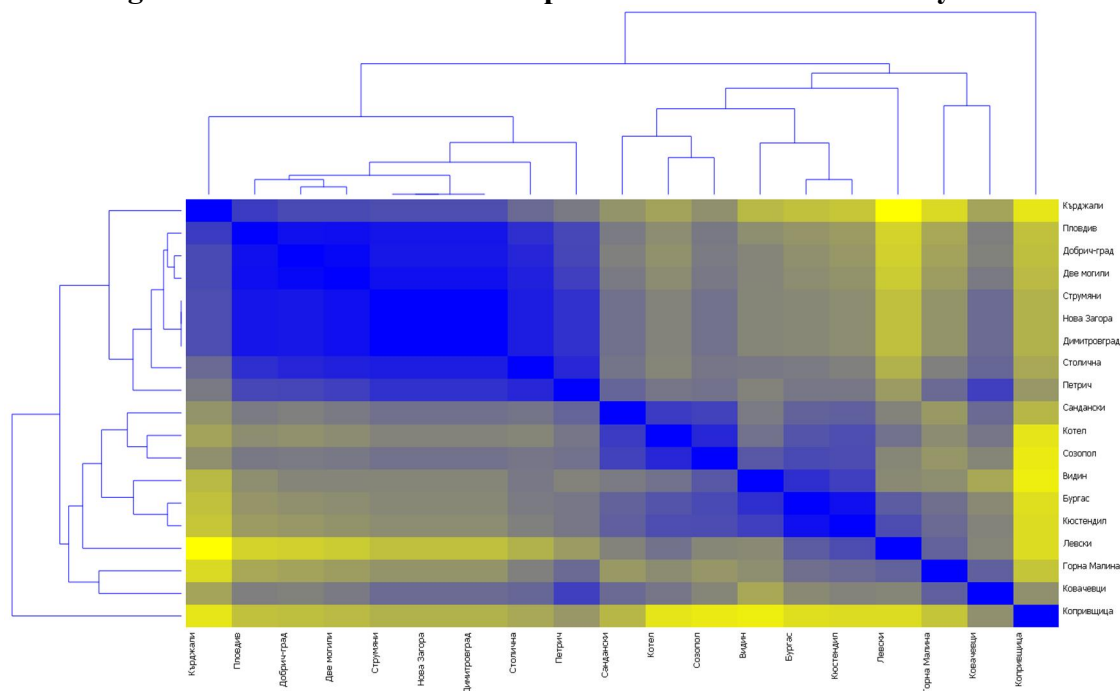
Using multidimensional scaling, the following result is obtained:

Fig. No. 1. Clusters of the studied municipalities based on multidimensional scaling



Three clusters are formed: a large one, which includes the municipalities of Kardzhali, Plovdiv, Dobrich-city, Dve Mogili, Strumyani, Nova Zagora, Dimitrovgrad, Stolichna, Petrich, Kovachevtsi, as well as two smaller clusters. The first cluster contains Sozopol, Kotel and Sandanski, and the second - Vidin, Burgas and Kyustendil. There are also three anomalies (non-clustered municipalities) - Levski, Gorna Malina and Koprivshtitsa.

The following graph shows the distances between municipalities based on cluster analysis.

Fig. 2. Distances between municipalities based on cluster analysis¹⁵

A big cluster is formed - the municipalities of Kardzhali, Plovdiv, Dobrich-city, Dve Mogili, Strumyani, Nova Zagora, Dimitrovgrad, Stolichna and Petrich. In general, the municipalities in this cluster are close to each other, with only Kardzhali a little farther away from the others. We observe two small clusters - the first one contains the municipalities of Sandanski, Kotel and Sozopol, and the second - Vidin, Burgas and Kyustendil. There are also four stand-alone municipalities - Levski, Gorna rasina, Kovachevtsi and Koprivshitsa. The results shown in the second graph differ in the fact that the municipalities are ranked here, with the Kardzhali municipality at the one extreme, and the Koprivshitsa municipality at the other. There is one further difference - an additional municipality comes up as a stand-alone (Kovachevtsi); still, in both charts this municipality is between Gorna Malina and Koprivshitsa. The fact that the Kardzhali Municipality is a kind of a leader is explained by the availability of publicly available reports on the implementation of the Strategy and the programs for management and disposal of municipal property through the website of the municipality.

Based on the results shown in both charts, the hypothesis that the existence of a structured majority in the municipal council is a factor that has a positive influence on the work of the municipal government and administration for the protection of the public interest is rejected. The largest cluster includes municipalities from both groups: Dve Mogili, Petrich, Dobrich - Sofia and Stolichna are from the group of municipalities without structured majorities in the municipal councils, while Strumyani, Dimitrovgrad, Nova Zagora and Kardjali - from the group of municipalities with structured majority.

The advantages of the proposed methodology lie in its universality. It is equally applicable to each area of competence by the work of local authorities, provided that measurable indicators for each of the principles of good governance, tailored to the specifics of the activity, are developed. This universality makes it possible: firstly, to assess the

¹⁵ The blue (dark) color indicates proximity and the yellow (light) - difference.

application of each principle to an activity; secondly, to compare the application of the principles to an activity; third, to take into account the specificities of the various activities at local level; fourth, to compare the application of a principle to all activities; fifth, to compare the application of all principles to all activities. The last one can, of course, be achieved if the methodology is applied to all areas of competence of local authorities. Last but not least, if the methodology is applied to all municipalities (either in a given sphere of competence or in all areas of competence), clusters can be identified that show the degree of proximity of the municipalities so as to form a common picture of the implementation of good governance principles in practice as a guarantee of local authorities working to protect the public interest.

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