

Article

Civil Society Versus Local Self-Governments and Central Government in V4 Countries: The Case of Co-Creation

Michal Plaček^{1,*}, Juraj Nemec², Mária Murray Svidroňová³, Paweł Mikołajczak⁴, and Éva Kovács^{5,6}

¹ Faculty of Social Science, Charles University, Czech Republic

² Faculty of Economics and Administration, Masaryk University, Czech Republic

³ Faculty of Economics, Matej Bel University, Slovakia

⁴ Institute of Finance, Poznań University of Economics and Business, Poland

⁵ Institute of Social and Political Sciences, Corvinus University, Hungary

⁶ Lajos Lőrincz Department of Administrative Law, University of Public Service, Hungary

* Corresponding author (michalplacek@seznam.cz)

Submitted: 18 October 2022 | Accepted: 20 December 2022 | Published: 15 June 2023

Abstract

In the new EU member states, there are very few studies analyzing the role of central and local self-governments in co-design processes. Nevertheless, such studies are particularly important as co-creation takes place in the context of former post-communist countries where central power reigned supreme and cooperation with the civil sector was very limited. This article aims to enrich the existing debate on the role of central and local self-government in the context of co-creation at the local level—specifically to map the extent to which local and central governments in the Visegrad Four region (Czech Republic, Hungary, Poland, and Slovakia) support local participatory budgeting initiatives as one of the most important forms of co-creation. The findings are very interesting, as each country has its situation and specificities. The (positive but also negative) role of the central state is limited but not invisible, except in the Czech Republic. The relations between civil society (and formal NGOs) and local self-governments are somewhat more similar within the countries studied. At the beginning of participatory budgeting, the civil sector and NGOs served as initiators and local self-governments as followers. However, this position has been steadily shifting towards the dominance of local self-governments and the marginalization of the civil society's role.

Keywords

co-creation; local level; participatory budgeting; V4 countries

Issue

This article is part of the issue “Local Self-Governance and Weak Statehood: A Convincing Liaison?” edited by Antje Daniel (University of Vienna), Hans-Joachim Lauth (Würzburg University), and Eberhard Rothfuß (University of Bayreuth).

© 2023 by the author(s); licensee Cogitatio Press (Lisbon, Portugal). This article is licensed under a Creative Commons Attribution 4.0 International License (CC BY).

1. Introduction

Most experts argue that innovative solutions in public service delivery designed to enhance public values such as effectiveness, efficiency, and legitimacy can be found mainly through multi-stakeholder collaboration (Osborne, 2018). One of the central elements of such a solution is the active participation of non-profit organizations or civil society in creating social outcomes that matter. Co-creation represents one critical form of such collaboration.

During co-creation, multiple actors participate in interdependent relationships (e.g., Bovaird, 2007; Lelieveldt et al., 2009). In this process, the possible limited interest of local and central governments in co-creation may represent a critical barrier to developing any kind of co-creation. Such a barrier is particularly visible in countries with a strong central government role (Baptista et al., 2020).

There are very few studies analyzing the role of central and local self-government (LSG) in co-creation processes in the new EU member states (e.g., Nemec et al.,

2019; Svidroňová et al., 2019; Vrbek & Kuiper, 2022). Such studies are of critical importance, as co-creation takes place in the context of former post-communist countries where central power reigned supreme and cooperation with the civil sector was very limited (Breslauer, 2021).

Existing studies have demonstrated past dependence on policies concerning the relationship between the state and the non-profit sector (see, for example, Osborne, 2008; Plaček et al., 2021, 2022). Another problem is the weak capacity of central (and local) government to coordinate co-creation processes between LSGs and the civil sector. The level of indicators measuring the relevant government capacities such as co-ordination capacity—see, for example, the World Bank’s governance quality indicators (Kaufmann & Kraay, 2022) or the University of Gothenburg studies (<https://www.sgi-network.org>)—suggests a very limited capacity of the new EU member states from this point of view.

As a result, in the new EU member states from Central and Eastern Europe, it is not LSG but the civil sector that initiates activities that cover many areas of life that technically should be covered by the public sector (e.g., public spaces and abandoned properties, social housing, health, education, or even employment):

Civil society is therefore made up of citizens who voluntarily participate in the governance of things public. They can do so in many ways, one of which is through involvement in non-profit organisations. Citizen involvement in non-profit organisations is collectively and formally organised. (Fryč, 2020, p. 1)

Existing analyses suggest that such imbalances result from limited accountability and responsibility of local and central governments (Veselý, 2013).

Our article aims to enrich the existing debate on the role of central and LSG in the context of co-creation at the local level (catalyzing or reducing the scope of co-creation). Specifically, to map the extent to which local and central governments support local participatory budgeting (PB) initiatives as one of the most important forms of co-creation. For example, PB in Central Europe promotes citizen involvement in local budget decision-making and encourages extensive co-production in implementing planned expenditures (see, for example, de Vries et al., 2022). The main research questions are as follows:

RQ1: What are the relationships of civil society involved in PB to LSG and the central government in the selected countries?

RQ2: Are these relationships mutually supportive, complementary or in conflict?

RQ3: Are the selected countries heterogeneous or homogeneous on these issues?

According to Baptista et al. (2020), most current studies focus on the positives of co-creation, but fewer studies focus on the barriers:

As structural barriers to public sector co-creation, we consider the macro aspects of the external environment that limit the predisposition of the actors to engage in co-creation. These include government and local authority policies, the political environment, government priorities, capacity and administrative tradition. (Baptista et al., 2020, p. 232)

Baptista et al. (2020) cite Germany and France as examples of countries with an administrative tradition of a strong role for central government, which has not yet been accustomed to engaging citizens in the co-creation process.

All four countries from the Visegrad region of Central Europe (Czech Republic, Hungary, Poland, and Slovakia), hereafter V4, were selected as case studies. The core of our research is qualitative research based on discussion during focus groups organized in all the selected countries.

2. Co-Creation/Co-Production via PB

Many approaches have emerged as ways of organizing the production and delivery of public services (e.g., a mix of public, private, and civil sectors, partnerships, and co-production/co-creation; Baptista et al., 2020). Co-production/co-creation occurs when citizens actively participate in providing and designing the services they receive (Brandsen et al., 2018). Many authors try to distinguish between co-production and co-creation. Brandsen and Honingh (2018) suggest that there are three ways to understand the relationship between co-creation and co-production:

1. Co-creation and co-production mean roughly the same and apply to any kind of citizen contribution to public services.
2. Co-creation is a more encompassing term that applies to all kinds of citizen inputs into services, whereas co-production has a more specific meaning.
3. Co-creation and co-production have distinct meanings, referring to different kinds of citizen input (Brandsen & Honingh, 2018, p. 10).

They also point out that, in practice, these terms are often used interchangeably in different ways.

Voorberg et al. (2015) defines more specific meanings. In their view, co-creation is associated with the following forms: (a) citizens as co-initiators, (b) citizens as co-designers, and (c) citizens as co-implementers. They reserve the term co-creation for the involvement of citizens at the level of co-initiator or co-design. They consider co-production as the involvement of citizens in

the joint implementation of public services. The same group of authors defines co-creation as “the involvement of citizens in initiating and/or designing public services to develop beneficial outcomes” (Voorberg et al., 2015, p. 1347).

Co-creation is studied in hundreds or maybe thousands of academic articles worldwide. It is comprehensively covered by EU-funded research projects such as LIPSE (Learning from Innovation in Public Sector Environments) from a few years ago or, more recently, Co-Val (Understanding value co-creation in public services for transforming European public administrations). In particular, the LIPSE project has provided comprehensive research on the drivers and barriers to co-creation. Voorberg et al. (2015) analyze the following determinants: (a) the extent to which the administrative culture is risk-averse, (b) the attitude of public officials, (c) the extent to which there are clear incentives for co-creation, and (d) the extent to which the public organization is compatible with the co-creation project.

According to their findings, the following organizational factors play a critical role: (a) the degree of risk aversion among the administration (a barrier is increasing risk aversion), (b) attitudes towards citizen engagement, and (c) political attention (in both cases, these factors can be a driver or a barrier).

PB is one of the most widespread and popular forms of democratic innovation (Klimovský et al., 2021). It started in Porto Alegre in 1989 and has travelled worldwide, including Europe. There is no universal definition of PB as it is intertwined with discourses on participatory democracy/governance, deliberative democracy, public-sector modernisation, and public-management reform. According to Sintomer et al. (2008, p. 168), PB is a process that enables the participation of non-elected citizens in the design and/or allocation of public funds. They identify five criteria for PR to happen: (a) the financial and/or budgetary dimension must be discussed (PB involves addressing the problem of limited resources); (b) the city or (decentralised) district level must be involved, with an elected body and some authority over governance (neighbourhood level is not sufficient); (c) it must be an iterative process (one meeting or one referendum on financial issues is not enough to constitute an example of PB); (d) the process must involve some form of public discussion in specific meetings/forums (opening administrative meetings or traditional representative cases to “normal” citizens is not PB); and (e) some accountability for the output is required.

In a review of the systemic PB literature, Bartocci et al. (2022) analysed a dataset of more than 139 articles published in different journals between 1989–2019 describing the journey of PB ideas across the public sector. The authors argue that the first stage of the journey is PB as a process of generating a new and useful idea (Bartocci et al., 2022, p. 4). In this phase, the key determinants are the external environment, which includes: the structure and form of government, political dynamics

and culture, legal requirements, and the size and diversity of the population. The next phase of the ideation journey is public budgeting as a process of systematically assessing the potential of a new idea and further clarifying and developing it. Key components are timing, type of budget allocation, participants, and gathering honest preferences (Bartocci et al., 2022). The next phase of public budgeting as an ideation journey is the turnaround into something tangible—finished products or services (Bartocci et al., 2022, p. 4). In this sense, public meetings, focus groups, simulations, committees, and surveys are key components. The final phase of public budgeting as an ideation journey is when the innovation is accepted, acknowledged, and used in the field (Bartocci et al., 2022, p. 4). We should focus on how and to what extent the idea is accepted, its external and internal impacts, whether the idea meets organisational and social expectations, and whether it can be generalised (Bartocci et al., 2022).

The main lesson learned regarding the impact of internal and external factors is that PB is associated with decentralisation, fiscal autonomy, and devolved financial management. In contrast, centralisation, non-democratic powers, and the existence of political elites and technocrats hinder the implementation of PB. Another important fact is that civil society plays a very positive role in implementation; on the contrary, a weak civil society leads to poor results due to the prevalence of governing bodies and technocrats. Stimulation through legal requirements seems to be important for a certain institutional context (see, for example, Bartocci et al., 2022).

2.1. PB in the New Member States From Central Europe

There are several studies dealing with the development of PB in the new EU member states from Central and Eastern Europe (for example, Džinič et al., 2016; Kukučková & Bakoš, 2019). One of the most recent and comprehensive sources is de Vries et al. (2022). According to its findings, PB arrived in the region relatively late, i.e., less than 15 years ago. The most common PB model is the “Porto Alegre for Europe”—a PB-based project where citizens propose projects and vote on which of those proposed will be funded and implemented. The share of money involved in the total municipal budget is relatively low. Huge differences are visible in the organisational environment and the concrete design of PB processes in the Central and Eastern region. While there are common features, the practice is also full of variations—from the level of the legal environment to the details of implementation. These include the amount of money available for PB, the way of voting on the proposed projects, the extent of participation, and the inclusion of different (also marginalised) societal groups. Table 1 summarises selected information on PB in the selected countries.

Table 1. PB in the V4 countries: Summary of findings.

Country and starting year	PB based in law?	Diffusion in municipalities	Main source of funding	Proposals subjected to deliberation with residents?	Who finally decides on proposals? (citizens/council)
Czech Republic: 2014	No	Less than 1% of municipalities used it.	Municipal (0.02–1.94% of the total budget)	Yes, usually.	Co-decision (local council decides the total budget and citizens vote)
Hungary: 2017	No	Less than 0.5% of municipalities used.	Municipal (from 0.25–1.5% of the total budget)	Yes, usually.	Co-decision
Poland: 2011	Yes, partly, for cities with county status.	About 13% of municipalities used it.	Municipal funds (from 0.2–1.5% of the total budget)	Yes, usually.	Co-decision
Slovakia: 2011	No	Less than 2% of municipalities used it.	Municipal (from 0.05–0.39% of the total budget)	Yes, usually.	Co-decision

Source: Adapted from de Vries et al. (2022).

3. Methodology

For our analysis, we have selected the V4 countries: the Czech Republic, Hungary, Poland, and Slovakia. Politically, although these countries belong to the EU, there is a tendency toward less democratic leadership at the national level. All four countries are special due to the huge number of municipalities. There are almost 2,500 in Poland, over 6,000 in the Czech Republic, slightly less than 3,000 in Slovakia, and over 3,000 in Hungary. Thus, the size of LSGs in these countries is mostly very limited, but their powers are quite extensive and, except for Hungary, the conditions in the work of LSG are close to the standards defined by the European Charter of LSG (see, for example, Plaček et al., 2020).

The V4 countries are formally (according to the classifications of international organisations) “developed” countries. However, as suggested above, in reality, they should belong to the group of countries with (relatively) “weak statehood.” The quality of governance indicators collected by various international organisations and think tanks document a relatively very low state performance in all four countries (World Bank, 2022). Table 2 summarises the main indicators of decentralisation and governance for the countries studied.

It is clear from the previous table that the V4 countries are very heterogeneous, both in terms of administrative structure and in terms of World Bank performance indicators.

The main reason for our choice is the fact that the V4 countries represent one semi-homogeneous region, but differ significantly in the organisational aspects of PB implementation (as seen in Table 1).

Our study is exploratory in nature, so it is appropriate to choose a qualitative case study method, which is “appropriate in studies that aim to understand the complexity of a phenomenon in its context, as it allows for multiple aspects to be considered in the analysis” (Grossi & Thomasson, 2015, p. 7). We have prepared a case study for each country. This would help us to understand how specific circumstances influence the factors under study.

The main source of information for our case studies is the reports from the focus groups conducted in all four selected countries organised by the authors of this article. In each country we organised a focus group separately. In the first step of preparing the focus groups, we conducted desk research (results of LIPSE project, scientific literature and the like) for each country to map PB practices. We then prepared a list of questions for the focus groups. The questions are related to the main research questions of our study. We also prepared guidelines for selecting respondents for each country to recruit at least four participants for each focus group. The expected profile of participants was active LSG politicians, bureaucrats, academics, members of the non-profit sector, or central government officials. A research team member from the country in question was always responsible for conducting and moderating the focus group. The goals of our research study and a set of questions were explained to all the participants one week before the focus groups. Focus groups were conducted in September 2022 through the Zoom platform. The entire meeting was recorded with the agreement of the participants. Respondents were coded, and a transcript was prepared. The entire research team always evaluated the transcripts to eliminate the subjective

Table 2. Main decentralisation and governance indicators for investigated countries.

Indicator	Czech Republic	Slovakia	Poland	Hungary
Administrative structure	Central government regions (14); municipalities (6253)	Central government regions (8); districts (79); cities (138), municipalities (2883)	Central government regions (16); districts (380); municipalities (2477)	Central government counties (19); districts (168); municipalities (3152)
LSG revenue (% of GDP)	13.4	7.9	14.9	6.3
LSG expenditure (% of GDP)	12.8	7.1	14.2	6.1
Voice and accountability (% rank)	81.16	76.81	63.77	58.94
Political stability and absence of violence (% rank)	83.02	63.68	61.32	75.94
Government effectiveness (% rank)	82.21	69.23	63.46	71.63
Regulatory quality (% rank)	87.50	77.88	75.96	68.75
Rule of Law (% rank)	84.13	74.52	65.38	69.71
Control of corruption (% rank)	72.60	62.02	70.19	56.25

Source: Compiled from Eurostat (2022) and World Bank (2022).

bias of the researcher from the given country. Table 3 presents the structure of each particular focus group.

We must state that recruiting the focus group participants in Poland and Hungary faced difficulties, as potential participants perceived the topics as politically sensitive.

Our research strategy is described in Figure 1.

4. Results

4.1. Case Studies

In this section, we present the case studies for the Czech Republic, Slovakia, Poland, and Hungary. All information (not specifically quoted) was obtained by the focus groups.

4.1.1. Case Study 1: Czech Republic

The main wave of PB implementation took place from 2014–2019. Currently, PB is not being rolled out but is being maintained. The number of proposals is also decreasing. Some projects seem to have dried up, possibly due to the Covid-19 pandemic. Some regions have started to give resources to small municipalities to implement PBs.

The impact of PB on society was considered minimal: For example, only small projects were implemented, PBs are being used by very small active citizen groups, and we do not observe a direct impact on democracy. On the other hand, PBs are the first step towards people finding out that they can be more involved in public affairs. PB can involve communities that were

Table 3. Structure of particular focus groups.

Participants/Country	Czech Republic	Hungary	Poland	Slovakia
Civil Society	1	1	4	3
Local Government	1	1	5	1
Central Government	1	NA	0	1
Coordinator PB at the local level	1	NA	0	1
Academia expert	2	1	1	3

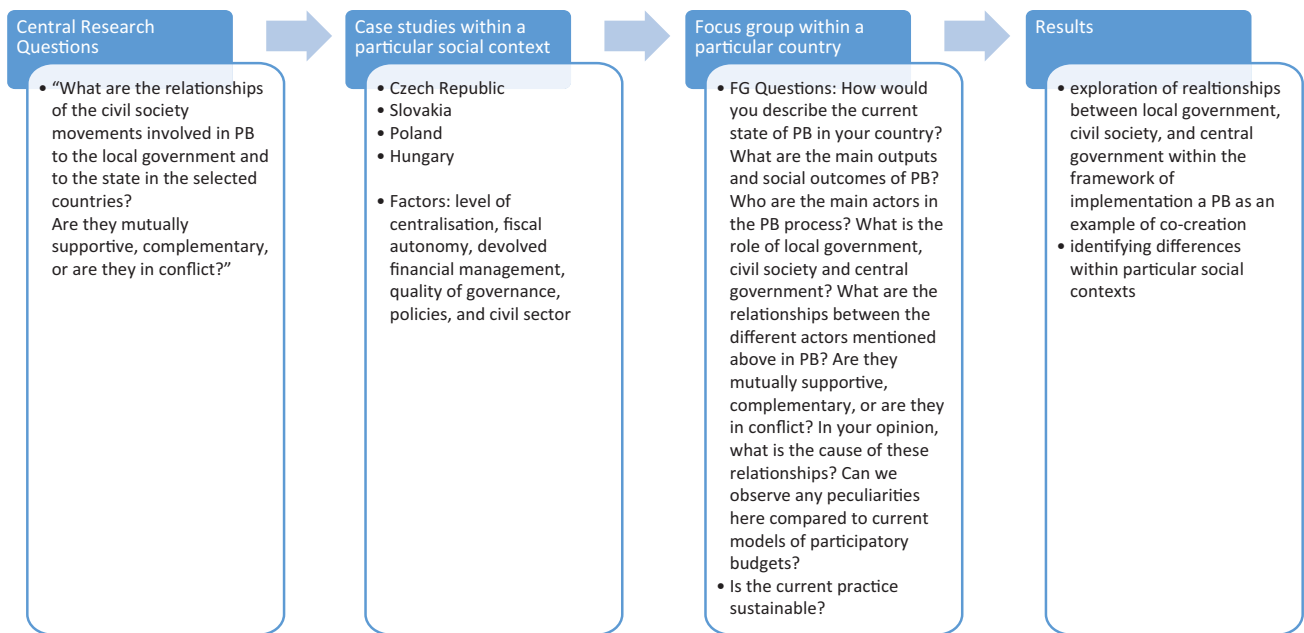


Figure 1. Research strategy.

not involved before (for example, skateboarders and senior citizens).

In terms of the role of the central government and other actors, some FG participants mentioned that:

PB is an isolated process where the actors are only the city and the citizens.

There is no legislation, no methodology from the central government on how to implement PB. Each city does it in its own way. Exceptionally, part of the expenses is covered by some regions or the capital city.

Other actors mentioned by FG participants are officials and experts, whose importance is crucial for the implementation and execution process. Another actor is the civil society and NGOs, which promote different ways of voting, but is based on a commercial basis.

The reasons for the very limited/zero involvement of the central government in PB can be the fact that the Czech Republic is a very fragmented country with fully independent LSGs, and the central government has very limited capacity to coordinate such a system. Thus, the state tends to focus solely on mandatory agendas. The central government has very limited information about what is happening at the local level and how certain systems are working. Similarly, focus group participants did not observe signs of past dependency or ideology related to PB. Frozen public administration reform may be the cause of this situation.

There is public interest in PB, but it is developing very slowly. Nevertheless, and while the interest from month to month is growing slowly, when one compares it with the situation 20 years ago, the interest has grown enor-

mously. If we focus on the sustainability of PB, PB will not disappear, but rather maintain the status quo. External shocks (for example, Covid-19) are also an important factor, which can undermine the importance given by the population to PB. Other factors mentioned by FG participants were technology (that can accelerate participation), the limited ability of civil society, citizens able to come up with new ideas, and the limited absorptive capacity of the territory.

4.1.2. Case Study 2: Slovakia

PB in Slovakia started in 2011 and is still at a starting level. Many of the processes that are called PB are just grant schemes and there is no room for a real debate on the use of public budgets.

The main impacts of PB were cited by focus group participants as promoting citizen engagement, co-responsibility and greater transparency, active participation of the people (public meetings with citizens “for something,” not “against something”), growth of civil sector authority, creation of strong communities united for something, some degree of increased transparency of LSG resources and their budgeting processes, learning project-based thinking, and improved short-term planning at the local level.

Focus group participants mostly agree that LSGs, civil society, NGOs, and citizens are the key actors in PB in Slovakia. Few participants believe that regional government also plays a vital role, and two participants mentioned the Office of the Plenipotentiary for the Development of the Civil Society.

In Slovakia, regarding the role of the central government, opinions are quite different. Some participants suggested that the preconditions for the functioning

of PB at all levels should be created, especially legislatively, however, others have rejected the need for direct involvement at the central level:

The Slovak central government is not a significant player in the case of implementing participatory budgets at the local self-government level. Rather, these steps and initiatives are happening outside its framework.

The main role of the government is not to create obstacles to the introduction of participatory processes. It can itself introduce participatory budgeting at the national level or make it compulsory for local self-governments to allocate part of their budgets in a participatory manner.

LSG is seen as essential by all participants:

Local self-government is key, as it decides on the introduction of PB in Slovakia in given municipalities, creates specific tools for the application of PB, allocates funds, manages processes or creates processes.

LSG is a key actor because it implements PB within its regional or local political systems. Without LSGs, implementation is essentially impossible. The Slovak civil society actively demands PB, but without the support of LSGs, it is not enough to make PB work. According to the Slovakian focus group, the role of civil society is both positive and negative—it sets a certain standard (know-how) but then behaves rigidly towards any changes. To summarise:

If PB is the river that moves society forward, local or regional self-government is the riverbed and people are the water. PB is about them and for them.

Most focus group participants believe that the relationship between the main actors (i.e., LSGs, civil society, NGOs, and citizens) is neutral, citing various reasons: PB is still an undervalued tool, especially in LSGs that do not fully understand its possibilities and impacts. Civil society likes to get involved but can burn out after a few years due to a lack of interest and appreciation on the part of LSG. Most respondents say that the current state of PB is not sustainable due to external shocks changing the local agenda.

4.1.3. Case Study 3: Poland

According to most sources, PB in Poland, like in Slovakia, started in 2011 and this form of public participation has developed unevenly. Until 30 January 2018, there were no regulations in the Polish legal system that defined or specified the principles of PB functioning. Given this, cities themselves—taking into account the conditions and specificities of the municipality, especially individual

goals and needs—determined the conditions and scope of PB functioning and the amount of funds allocated for projects. The focus group participants did not highlight any important outcomes related to PB.

Regarding the actors, focus group participants observed the dominance of the LSG side, and in their opinion NGOs often play the role of specialised cells, mediating the dialogue between officials and citizens. Compared to all other countries, the role of the central government is visible, having passed the PB legislation, and the aspect of politicisation was clearly mentioned by the focus group (after the rise of PIS, the current ruling party came to power in 2015, the strong interference of politics by the central level in local government affairs is very visible):

The main actors are local self-government supported by the central government in which the ruling party has a majority. Others are in more or less conflict. We can also observe the domination of officials.

The cause of conflicts between the central government and local self-governments is the autocratic approach of central authorities seeking to centralise power. Local authorities sympathetic to the central authority can count on the support of the central government.

According to the focus group, the current arrangements are not conducive to greater participation by citizens. In some cases, there is a lack of relevant legislation, in others demands on residents who would like to propose consultations, for example, are very difficult to meet and hinder action. The role of citizens is too often limited, and grassroots activity is relatively low, both in terms of activities initiated by citizens themselves (e.g., demonstrations and petitions) and those organised by the city government (e.g., public consultations). One of the reasons for this situation is certainly the lack of knowledge among citizens about their rights and possibilities of action. In most PB LSGs, individuals who meet certain criteria have the exclusive right to submit projects. However, among Polish LSGs practising PB you can also find some that give such rights to legal entities or local institutions, such as NGOs (e.g., Sopot), municipal institutions/units, or auxiliary units of the municipality. Councillors and executive authorities as individuals always have the right to apply for PB projects.

The sustainability of PB in Poland (and its limited spread) is at least partly linked to the fact that at least two types of citizens' attitudes toward LSG can be distinguished: the first focuses on social expectations of direct support and social assistance; the second, more proactive, on the LSG's creation of space for action. Missing here is also a sense of the historical rootedness of LSG institutions. Although LSG with democratic legitimacy emerged in the wave of transition, many citizens see it as a continuation of earlier forms of LSG

before 1989. Moreover, problems with the inclusiveness of the process bring budgets closer to what is known as “grant competition”:

The active are even more active, and the inactive mostly remain so.

In the context of PB sustainability, we must point out that the reduction in the number of PBs in 2019–2021 was mainly influenced by the Covid-19 pandemic and related concerns about the stability of local finances. Despite the growing importance of public participation, few cities are still creating cells in the office that engage in dialogue with citizens and/or cooperation with NGOs. In this respect, too, the situation looks better in large cities.

4.1.4. Case Study 4: Hungary

Only in recent years has PB become a widespread practice for Hungarian LSGs, especially in the capital city of Budapest and their districts. Ahead of the 2019 LSG elections, three NGOs advocating for transparency and integrity in government launched a campaign programme called “This is the minimum,” which summarised the basic principles for transparent decision-making in LSGs. In addition to political reasons, it also focused on addressing some social problems such as the inclusion of disadvantaged groups and equal distribution of resources.

However, at the beginning of the pandemic situation and the declared “state of emergency,” this issue was side-lined and the LSGs were put under extreme pressure by initiating lockdown measures on the social and healthcare services among the local community. At the same time, the central government initiated several measures in 2020 that led to a further weakening of the competences and capacities of the LSGs in Hungary. While the formal structure and remit of the LSGs remained *de jure* unchanged, its autonomy was *de facto* radically reduced, exaggerating the results of the drastic dismantling of local autonomy throughout the 2010s.

While some measures affected all municipalities, the most important ones were rather selective, affecting larger cities and, most notably, the capital Budapest, where opposition political parties or independent civic organisations have dominated since the 2019 local elections. The main instrument used to weaken them has been to deprive them of the most significant source of revenue in the year 2021. In addition, several local (typically social) development projects were cancelled, especially in opposition-led municipalities.

The main actors of PB in Hungary are local political leaders who are from opposition counties. The central level does not support or promote PB and, according to Hungarian law, the LSG is only required to publish its budget and data related to budget execution and performance evaluation as there is no specific legal framework or requirement for the application of PB at the

local level. Transparency International was responsible for developing a largely standardised method for PB and provided assistance and monitored the implementation of the processes.

According to the focus group:

LG [local government] opposition political leaders committed to PB because transparency and civic engagement were important elements of their political campaign in 2019 and they demonstrated responsibility to deliver on their electoral agenda [as we noted above in “This is the Minimum”]. Some political leaders have even described PB as a ‘communications campaign’ that brings more support and votes from citizens.

The NGO played an important role throughout the whole process as a facilitator and mediator between citizens and between the LG and the community.

There is also a new and unusual tradition of cooperation and constructive dialogue with government officials on the part of the participants. Citizens tend to be averse and keep their distance from the new practice.

Building trust by providing evidence and good examples of both how the programme has achieved its objective and ideas coming from the community have been implemented is a key factor for future sustainable collaboration. However, according to the focus group, this is a process that requires making cultural changes both on the part of the government and in the minds of individuals over several decades to come.

4.2. Answers to the Research Questions

Regarding RQ1 (“What are the relationships of the civil society involved in PB to LSG and the central governments in the selected countries?”) it can be said that we cannot identify a clear common line between the countries studied—these relationships vary considerably. Two factors appear to be critical, the first factor is the lack of capacity and the fragmentation that can be identified in the Czech Republic and Slovakia, and the second factor is the tendency towards illiberal democracy (politicisation of PB) that is evident in Hungary and Poland.

In the Czech Republic, at least partly due to fragmentation and lack of capacity, the central government does not consider PB a priority and provides only very indirect support. The dominant actors here are LSGs and civil society. Civil society and the non-profit sector substitute the central government in the process of agenda setting, communication, methodology development, and technology implementation. The interactions between LSG and the civil sector are crucial for PB. In Slovakia, the role of the state is somewhat more visible (the Office of the

Plenipotentiary for the Development of the Civil Society provides some support to PB), but still very marginal.

In Hungary and Poland, we can observe a clear line in relation to democracy. PB is becoming a double-edged sword. On the one hand, it is a tool for democratic politicians to activate society and to define themselves vis-à-vis the government, on the other hand, it is used by the government through mandatory implementation or, on the contrary, through the reduction of autonomy to promote their interests. The role of civil society is not entirely clear as it manifests itself through passivity, but it is also possible to identify examples where it plays a crucial role. A specific aspect is that in Poland the legal obligation to implement PB practices is codified in legislation (for larger LSGs).

In RQ2 (“Are these relationships mutually supportive, complementary, or in conflict?”) two basic relationships can be identified between the central government and the LSG relationship.

In the first case, it leaves autonomy to LSGs to implement PBs according to their capabilities (Czech and Slovak cases). This autonomy also has a negative side, where the government resigns itself to any effort of coordination and support. The second type of scheme is conflict (Hungary and to a large extent Poland). This conflict takes several forms. In this case, central government regulation reduces the autonomy of LSGs and at the same time restricts the funding for LSG. The second form of conflict is realised in the political plane, where some LSGs represent the opposition to the central government and PB becomes a tool for political marketing in this conflict.

If we focus on the relationship between LSGs and civil society, we can identify two basic models. In the first “negotiation model,” it is a complementary relationship where LSGs and the civil sector discuss and cooperate.

The second model is the domination of LSG by its associated technocrats. This is a situation where PB depends entirely on the arbitrary will of LSGs.

The civil sector also plays multiple roles. In the first role, it is an idea carrier, a facilitator, and also substitutes the central government (methodology development, and technology implementation) and local government (initiator, agenda setting) at certain moments. There are also negative perceptions of civil society being too passive, or situations where narrowly defined groups finance their interests through PBs.

Regarding RQ3 (“Are the selected countries heterogeneous or homogeneous on these issues?”) our case studies show that PB is at different levels of maturity in the countries studied, and the selected countries, which represent one particular territorial group, differ significantly in many aspects of PB. Although the phenomenon of past dependency was mentioned only in the case of Poland, we can say that a common feature of all the countries studied is that the main contribution of PB is not the implemented projects, but the public activism. This means that the observed countries are still struggling from the remnants of communism, which was characterized by a passive civil society. PB is one of the tools that currently activates civil society. The administrative capacity of governments and the state of democracy in each country are also key factors that influence the differences between countries. Table 4 shows the central points from the previous research questions.

5. Conclusions

Our article contributes to the debate on the relationship between local and central governments and civil society in the context of weak statehood. This article

Table 4. Summary of key findings.

Actor/Country	Czech Republic	Slovakia	Poland	Hungary
Civil society and NGOs	Initiator, agenda setting, communication, methodology development, and technology implementation	Sets standards	Consultancies	Facilitator and mediator between citizens and between the local government and the community
Local Government	Initiator, creates specific tools for the application of PB, allocates funds, manages processes, and create processes	creates specific tools for the application of PB, allocates funds, manages processes, and creates processes	allocates funds, manages processes, and creates processes	Depends on political orientation local government winning party
Central Government	Indirect involvement (motivation of local through quality award)	Creates legislation, rules of the game, and decides on mandatory implementation	Creates legislation and supports allied local governments	Reduces PB through decreasing local government autonomy

aimed to map the extent to which local and central governments support local PB initiatives and the relationships between the main actors in the PB process. We analysed the situation in four countries from one semi-homogeneous region—the Visegrad area—and used multi-case studies and focus groups as the main qualitative research methods of our article.

The findings are very interesting—each country has its situation and specificities. The (positive and negative) role of the central state is limited, but not invisible, with the exception of the Czech Republic (the legislative basis created in Poland, the “hostile” approaches to opposition LSGs in Poland and Hungary, or the marginal support to develop PB by the central level in Slovakia). Too much fragmentation may explain the rather limited role of the central state in the Czech Republic and Slovakia, and the democratic decline situation in Poland and Hungary (Ágh, 2016).

The relations between civil movements (and formal NGOs) and self-government are somewhat more similar in the countries studied. The beginning of PB had largely similar patterns—the civil sector/NGOs as initiators and LSGs as followers. However, this pattern has been changing as PB has developed—many local leaders have found that PB can be used as a tool for their social marketing—and for this reason at least, and because of the implementation problems outlined, the role of the civil sector has been changing steadily towards the dominance of LSGs and their governance and the marginalisation of the role of civil society. However, this does not mean that PB will completely lose its originally intended character. In many (perhaps most) municipalities, the benefits and positive outcomes of PB are still very visible, despite the limited amount of resources allocated—Slovak focus group participants in particular were rather positive in this regard.

Our results also confirm Baptista et al.’s (2020) conclusions that one of the significant barriers to co-creation comes from the macro and contextual environment. In our case, it is the administrative capacity of individual levels of government, public policy, and the state of democracy. On the other hand, we must state contradictions with the literature (Osborne, 2018; Osborne et al., 2016) that underlines the contribution of co-creation to public value. Our results show that projects implemented through PB have little direct impact. The impacts are rather indirect and aim to activate society. In contrast to Voorberg et al.’s (2015) conclusions in the coproduction field, the citizen’s role is mainly limited to the first phase, which only concerns the submission of proposals.

From a more general perspective, our results reaffirm the opinion of many authors from the region, highlighting that decentralisation and devolution may not lead to increased socio-economic efficiency and foster cooperation between actors (mainly due to path-dependency and over-fragmentation; for more, see Plaček et al., 2022). “Exporting” any external idea to the specific socio-political environment of post-socialist states is a complex and risky endeavour, and the results of such attempts

depend entirely on particular countries institutional factors (for more, see, Plaček et al., 2021, 2022).

It is also necessary to mention the weaknesses of our research design. We were not able to get representatives of all important stakeholder groups for the focus group in certain countries, so our results may be biased towards stakeholder groups that were more represented in the focus group. Other limitations arise from the nature of exploratory research; our results describe how mechanisms and factors work in a particular context. Our conclusions need to be tested on a larger sample of data using robust statistical methods.

Acknowledgments

This article was funded by the Deutsche Forschungsgemeinschaft (DFG, German Research Foundation)—Project Number 391467173. The research was also funded by the National Science Centre in Poland under the OPUS call in the Weave programme (Grant number: 2021/43/I/HS4/006789).

Conflict of Interests

The authors declare no conflict of interest.

References

- Ágh, A. (2016). The decline of democracy in East-Central Europe. *Problems of Post-Communism*, 63(5/6), 277–287. <https://doi.org/10.1080/10758216.2015.1113383>
- Baptista, N., Alves, H., & Matos, N. (2020). Public sector organizations and cocreation with citizens: A literature review on benefits, drivers, and barriers. *Journal of Nonprofit & Public Sector Marketing*, 32(3), 217–241. <https://doi.org/10.1080/10495142.2019.1589623>
- Bartocci, L., Grossi, G., Mauro, S. G., & Ebdon, C. (2022). The journey of PB: A systematic literature review and future research directions. *International Review of Administrative Sciences*. Advance online publication. <https://doi.org/10.1177/00208523221078938>
- Bovaird, T. (2007). Beyond engagement and participation: User and community coproduction of public services. *Public Administration Review*, 67, 846–860. <https://doi.org/10.1111/j.1540-6210.2007.00773.x>
- Brandsen, T., & Honingh, M. (2018). Definitions of co-production and co-creation. In T. Brandsen, T. Steen, & B. Verschuere (Eds.), *Co-Production and co-creation: Engaging citizens in public services* (pp. 9–17). Routledge.
- Brandsen, T., Steen, T., & Verschuere, B. (2018). *Co-Production and co-creation: Engaging citizens in public services*. Routledge.
- Breslauer, G. W. (2021). *The rise and demise of world communism*. Oxford University Press. <https://doi.org/10.1093/oso/9780197579671.003.0002>

- de Vries, M., Nemec, J., & Špaček, D. (2022). *International trends in participatory budgeting*. Palgrave Macmillan.
- Džinič, J., Murray Svidroňová, M., & Markowska-Bzducha, E. (2016). Participatory budgeting: A comparative study of Croatia, Poland and Slovakia. *NISPAcee Journal of Public Administration and Policy*, 9(1), 31–56. <https://doi.org/10.1515/nispa-2016-0002>
- Fryč, P. (2020). *Civil society and the definition of NGOs, development, status and trends. Sub-study for the concept of government policy towards non-state non-profit organisations until 2020*. Czech Government. https://www.vlada.cz/assets/ppov/rnno/dokumenty/studie_fric_pro_web.pdf
- Grossi, G., & Thomasson, A. (2015). Bridging the accountability gap in hybrid organizations: The case of Copenhagen Malmö Port. *International Review of Administrative Sciences*, 81(3), 604–620. <https://doi.org/10.1177/0020852314548151>
- Eurostat. (2022). *Government finance statistics*. <https://ec.europa.eu/eurostat/web/government-finance-statistics/data/database>
- Kaufmann, D., & Kraay, A. (2022). *Worldwide governance indicators*. World Bank.
- Klimovský, D., Junjan, V., & Nemec, J. (2021). Selected factors determining the adoption and use of participatory budgeting in Central and Eastern Europe. *Slovak Journal of Political Sciences*, 21(2), 230–255. <https://doi.org/10.34135/sjps.210206>
- Kukučková, S., & Bakoš, E. (2019). Does PB bolster voter turnout in elections? The case of the Czech Republic. *NISPAcee Journal of Public Administration and Policy*, 12(2), 109–129. <https://doi.org/10.2478/nispa-2019-0016>
- Lelieveldt, H., Dekker, K., Völker, B., & Torenvlied, R. (2009). Civic organizations as political actors: Mapping and predicting the involvement of civic organizations in neighbourhood problem-solving and coproduction. *Urban Affairs Review*, 45(1), 3–24. <https://doi.org/10.1177/1078087409332303>
- Nemec, J., Murray Svidroňová, M., & Kovács, É. (2019). Welfare co-production: Hungarian and Slovak reality. *NISPAcee Journal of Public Administration and Policy*, 12(2), 195–215. <https://doi.org/10.2478/nispa-2019-0019>
- Osborne, S. P. (2008). *The third sector in Europe: Prospects and challenges*. Routledge.
- Osborne, S. P. (2018). From public service-dominant logic to public service logic: Are public service organizations capable of co-production and value co-creation? *Public Management Review*, 20(2), 225–231. <https://doi.org/10.1080/14719037.2017.1350461>
- Osborne, S. P., Radnor, Z., & Strokosch, K. (2016). Co-production and the co-creation of value in public services: A suitable case for treatment? *Public Management Review*, 18(5), 639–653. <https://doi.org/10.1080/14719037.2015.1111927>
- Plaček, M., Ochrana, F., Půček, M. J., & Nemec, J. (2020). *Fiscal decentralization reforms: The impact on the efficiency of local governments in Central and Eastern Europe*. Springer.
- Plaček, M., Vaceková, G., Murray Svidroňová, M., Nemec, J., & Korimová, G. (2021). The evolutionary trajectory of social enterprises in the Czech Republic and Slovakia. *Public Management Review*, 23(5), 775–794. <https://doi.org/10.1080/14719037.2020.1865440>
- Plaček, M., Vaceková, G., Valentinov, V., & Ochrana, F. (2022). Historical institutionalism: A tool for researching the nonprofit sector in times of pandemic. *Innovation: The European Journal of Social Science Research*. Advance online publication. <https://doi.org/10.1080/13511610.2022.2052027>
- Sintomer, Y., Herzberg, C., & Röcke, A. (2008). Participatory budgeting in Europe: Potentials and challenges. *International Journal of Urban and Regional Research*, 32, 164–178. <https://doi.org/10.1111/j.1468-2427.2008.00777.x>
- Svidroňová, M. M., Mikušová Meričková, B., & Nemec, J. (2019). Inclusion by co-production of social housing: The Slovak experience. *Central European Public Administration Review*, 17(2), 205–218. <https://doi.org/10.17573/cepar.2019.2.10>
- Veselý, A. (2013). Accountability in Central and Eastern Europe: Concept and reality. *International Review of Administrative Sciences*, 79(2), 310–330. <https://doi.org/10.1177/0020852313477762>
- Voorberg, W. H., Bekkers, V. J. J. M., & Tummers, L. G. (2015). A systematic review of co-creation and co-production: Embarking on the social innovation journey. *Public Management Review*, 17(9), 1333–1357. <https://doi.org/10.1080/14719037.2014.930505>
- Vrbek, S., & Kuiper, M. (2022). Command, control and co-creation: Drivers and barriers faced by professionals co-creating in the Slovenian public sector. *Central European Public Administration Review*, 20(1), 33–56. <https://doi.org/10.17573/cepar.2022.1.02>
- World Bank. (2022). *Worldwide governance indicators*. <https://info.worldbank.org/governance/wgi>

About the Authors



Michal Plaček is an associate professor of public policy at Charles University and global research affiliate at Sustainable Purchasing Research Initiative at Arizona State University. His research is focused on public procurement, corruption, and efficiency. He has publications in high-ranking journals such as *Public Management Review*, *Waste Management*, *Public Money and Management*, *Journal of Comparative Policy Analysis*, *Journal of Public Procurement*, and *Public Works Policy and Management*. He won the award for the best comparative conference paper from the *Journal of Comparative Policy Analysis* in 2017.



Juraj Nemec is professor of public finance and public management at the Faculty of Economics and Administration, Masaryk University in Brno, Czech Republic. He served and serves in different positions in international organizations in the public administration area and published almost 500 scientific and professional articles, books, and book chapters, including papers in most prestigious public administration journals.



Mária Murray Svidroňová (associate professor) works at the Department of Public Economy and Regional Development at the Faculty of Economics of Matej Bel University in Banská Bystrica. Her teaching and research activities focus on non-governmental organizations (management and financing), the public sector and public services, and social innovation, including behavioral interventions in local government. ORCID: 0000–0002-4414-479X



Paweł Mikołajczak is a professor at the Department of Money and Banking, Institute of Finance, Poznań University of Economics and Business. His research focuses on social entrepreneurship, finance, and civil society. He is the author of articles that have been published in international and local journals.



Éva Kovács is an associate professor at the National University of Public Service and at the Corvinus University of Budapest, Hungary. Her main research interests lie in the field of public services, public administration reforms, government coordination, and inter-municipal cooperation and coproduction. She is regularly involved in domestic and international research and publication projects.