Who Benefits?
Ethnic Bias and Equity in Access of Ethnic Minorities to Locally Provided Public Services in CEE

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1. INTRODUCTION

Powerful arguments have been developed about democracy in multiethnic states. These theories argue that democracy is based on the consent of those governed and emphasize the role of the state in establishing order and maintaining the rule of law. When the state and its institutions are not regarded as neutral and fair by all actors, minority groups may find themselves forced to create their own, potentially divergent forms of self-protection, which can come to be seen by the ethnic majority as threatening to the integrity of the state. These theories emphasize that only those democracies that are able to re-integrate and engage all ethnic groups (majority and minorities) into the same society can lead to order and stability. Democratic institutions (governments, administration, welfare and justice) should therefore be accessible to all minorities including ethnic groups. 1

In theory, the state operates by adhering to a set of (constitutional) rules and rights and thereby ensuring transparency and accountability. However, few, if any state policies are absolutely neutral in their distributive effect among ethnic groups. In most cases, state policies are based on arbitrary decisions that often result in disparate impact2 or discriminate against minorities.

A government, local or central, is considered as legitimate if its decisions are generally acceptable to its constituency as fair and equitable. If policies of a government appear to be biased in favor of a particular group, the legitimacy of the state and the support of policies will be weakened3. Trapped in their “myopia”, ethnic majorities tend deny the bias in government policies. Governments dominated by ethnic majority are often hiding behind arguments about “ethnic blindness” of their policies and pointing to broader understanding of equality between citizens. These governments and institutions ignore problems inherent to what we call a participatory democracy. Such arguments camouflage the fact that ethnic minorities being in numerical minority have less power to influence rules, procedures and policies. In such “ethnically blind” environment majorities often consider public resources as their privileges: they

1 Schopflin in Biro-Kovacs (2001)
3 for more information on the relations between public policies and different types of ethnic relations, refer to Petra Kovacs, 1998, A Comparative Typology of Ethnic Relations, LGI: Budapest
label claims of minorities as attempts to privatize public resources for the benefit of their particular group. (Biro – Kovacs, 2001).

The question in the title “Who benefits” has two answers. In the short-run, majorities may think that excluding minorities and their preferences from the policy process and the agenda is an efficient solution. However, on the long-run such win-loose situation will turn to a loose-loose situation as social order deteriorates. Tragic experiences in the Balkans (and elsewhere in the region) demonstrated that restricted competition for power and resources and the exclusion of various constituent groups from transparent and inclusive decision-making processes results sooner or later in serious social conflicts, mass migration and, in an extreme case, bloody war involving loss on both sides.

This is why analyzing local policy processes in multiethnic states, and the access to public services in particular is timely.

The purpose of this paper is to develop an analytical framework and working hypothesis for a comparative policy research based on a proposed concept of ethnic bias in public policy processes to invite more efficient government actions in providing equitable access for minorities to public services at the local level.

The scope of the paper is to provide an analytical framework for an international comparative research on access of minorities to public services at the local level of government. Patterns of ethnic bias at the local (municipal) level of government through their policies which have redistributive goals because of the following reasons. As a result of decentralization and public service reform, local governments gained new competencies and responsibilities to design policies responsive to needs of citizens. Most of public policies determining access to public services are now designed and implemented by local governments. Thus, the local government represents perhaps the key arena for examining ethnic bias in public policy processes. In order to identify the role of public institutions in formation of ethnic bias, this research will be focused on those factors that are under the control of (local) governments and their institutions. The research

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4 Redistributive policies refer to deliberate efforts of governments to shift allocation of wealth, income, property and rights among various groups of the population.
will involve only those policies that have impact on access to (locally provided) public services, because access to those services are often linked and mutually dependent with other civil and political rights of the citizens. Therefore bias in providing access to public services will disadvantage minority families to take full advantage of all resources and benefits of life in their community.

The research has been carried out in 2001 and 2002 by the research team of the NISPAcee Working group 4. On Democratic Governance of Multiethnic Communities based on the concept paper written by Petra Kovacs for the 9th Annual Meeting of the NISPAcee in May 2001.

Expected outcomes of the research will be a methodology for the analysis of *ethnic bias* in local policy processes. Outcomes will also include the definition of various types of *ethnic bias* as well as guidelines for local government to eliminate the bias.
2. THE CONCEPT OF ETHNIC BIAS

This paper proposes to introduce a new concept, the concept of Ethnic Bias for analyzing access of minorities to public services. Ethnic bias refers to gaps in to policy process that result in the failure of governments and public institutions to provide equitable access to power and public resources to various ethnic and national groups in a society.

A policy is ethnically biased if
- one ethnic group has disproportionate (or exclusive) power on defining policy goals and priorities,
- if structural arrangements favor the interest of one or another ethnic group in the course of policy formulation and finally,
- if rules of distribution of public resources are not neutral in their effects.

Ethnic bias can be assessed by the presence of various types inequalities between ethnic groups (symptoms of ethnic bias).

We suggest that ethnic bias is a policy problem because
- it results in weakening social cohesion in multi-ethnic communities and because it is often the underlying cause of conflicts, instability and crisis of legitimacy in many new democracies in CEE.
- it makes policies inefficient: by giving preference to dominant group, ethnically biased policies will weaken the results of other public policies and reproduce inequalities. (costs of rights)
- ethnic bias is a failure of democratic process. Ethnic diversity cannot be seen separate or distinct from issues relating to allocation of power and public resources.

Ethnic Bias can be identified through various stages of the policy cycle. Depending on the stage of the policy cycle in which ethnic bias occurs, different types of ethnic bias can be identified. The identification of various types of ethnic bias will be used to develop policy implications.
3. WHY ETHNIC BIAS IS A POLICY ISSUE?
Throughout the region, minorities still face challenges in accessing quality and effective public services. Minorities are also vulnerable to various forms of exclusion and widespread prejudices. This situation calls for a review of public policies at the local government level, which should be understood as new, un-biased policies.

Almost all issues related to problems of ethnic bias have their manifestation in local communities. The city represents a key arena for examining a wide range of processes, effects and interventions across a variety of social, political and economic domains. Due to recent reforms of public administration and public service delivery, local authorities gain more discretionary power on deciding priorities for public services, the level of services and the delivery mix. The central question is whether local governments (municipalities) are able to fulfil their duties and formulate inclusive public policies responsive for the needs of multi-ethnic population. This question is essential as it touches upon the essence of democracy: the need of establishment of an acceptable balance between the inclusion of diversities and to maintaining social order. It implies that the state and its administration should be perceived as legitimate, so that state gains the support of society to achieve the balance. Political actors may gain legitimacy by being responsive to the needs of citizens. The guarantee for remaining responsive lies in procedures that makes political actors accountable for their decisions.

If a state, its institutions and its policies are perceived as biased towards one or another group, or when system is perceived as serving arbitrarily the interest of a particular group in society, the other part of the population will withdraw their support from those ruling the state. In such cases,

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5 see research results of Ina Zoon (2001), EU Accession Monitoring reports (2001) of the EU Map project of the Open Society Institute, annual reports of the US Department of State on the Human Rights record of various countries of CEE, country reports under the CoE Framework Convention for the protection of National Minorities (FCNM), as well as activities of the European Court of Human Rights and reports of various NGOs advocating the rights of minorities
6 in this paper the terms „city” and „local community” will be used interchangeably and refers to the local society
7 in this paper the terms „local government” and „municipality” will be used interchangeably and refer to the local public authorities
8 in Schopflin, ibid
9 Vertocvec, Schopflin and others
governments have to scope with various sorts of resistance\(^{10}\) while implementing public policies. In a longer term, such a resistance may result in inefficient government practices and the erosion of social cohesion.

There are numerous identifiable demographic, socio-economic and political trends and processes, which have been associated with a general lack of social cohesion. Over the past decade, Changing patterns of ethnic diversity juxtaposed with new socio-economic patterns (transition, migration processes, creation of new states, cutback of welfare-state etc.) resulted in increased competition for political and economic resources polarization between various ethnic groups of the society. If a bias tend to result in poorer access of minorities to those resources, competition may turn into conflict. In case of such conflicts (or tensions) minorities will increasingly feel that power is directed against them. Majorities on the other hand will perceive any form of self-organization of minorities as threatening and hostile to the state. Although the source of conflict is not ethnicity as such\(^{11}\) as such, but the conflict of interest between different social groups, there is a danger of rapid escalation of these conflicts due to the weakness (or the lack) of agreed (trusted) mechanisms for mediation and conflict resolution. Once ethnicity is associated with a conflict, it is very hard to escape from negative cycles as both sides will tend to explain problems with ethnic differences instead of analyzing thoroughly sources of conflict: most often the limited resources and diverging priorities. The problem is that once the conflict is defined as ethnic, there is a high chance of rapid escalation as different identities are unlikely to be settled by policy instruments.\(^{12}\)

\(^{10}\) Withdraw political support, challenging legitimacy of those in power or in extreme case choosing various exit strategies demanding for greater autonomy or secession

\(^{11}\) Ethnicity refers to a group which is self-aware and possesses some degree of of coherence and solidarity, and is composed by people sharing common identity, interests and a shared set of meanings (culture, origin) etc. (Biro-Kovacs 2001)

\(^{12}\) As a trainer of local public officials I often experience that local policy-makers lack adequate knowledge and skills to manage multiethic communities. Due to their lack of understanding of the specific policy problems related to ethnic diversity, they often translate conflict of interests over technical issues as ethnic conflicts if the population involved is multiethnic. In some case study exercises, we expose policy-makers (trainees) similar policy situations in either ethnically diverse or alternatively in ethnically homogeneous environments. While facing similar technical issues (closing one kindergarten due to defect in local budget) policy-makers find it very hard to reconcile the conflict if it occurs in ethnically diverse environment according to the exercise. Whereas in cases when the exercise do not include the multiethnic element, managers develop various feasible and innovative alternatives to address the social conflict.
Recently, several approaches have been developed to address the problem of equity and discrimination. There have been several attempts to adopt comprehensive anti-discrimination laws in several countries of the region. Other countries have constitutional guarantees against all forms of discrimination. These legal institutions are important as they set standards and express commitment of decision-makers to remedy discrimination. However, those legal instruments remain weak as there are very little room to use them for remedy discrimination. Laws are legal solutions, cases must be brought to courts which establishes facts of the case and compare them with the prescriptions of the law. Experience of the jurisprudence shows that there are at least three major weaknesses of the legal approach. First, jurisprudence shows that it is very hard to get legal remedies for cases of discrimination (especially cases of indirect discrimination) due to hardships to support allegations with hard facts. Secondly, as European law is based on a common law, successful cases remain mainly isolated as their policy impact is very little. Thirdly, legal approach by its nature operates in a normative framework which presume that an offence or an abuse has been committed by a “perpetrator” against a “victim”. Therefore legal approach offers only remedies but has quite weak preventive force. As concept of discrimination creates two sides (victims and perpetrators) it offers very little chance to draw general conclusions that could lead sustainable solutions which address the causes, instead of remediying symptoms.

What we propose in this paper is a new approach. Ethnic bias is a comprehensive approach that looks at problems related to ethnic diversity, inequity, discrimination and lack of access in a wider policy context of public administration reform and the reform of public services. The concept of ethnic bias perceives the lack of equitable access of minorities to public services as symptom of a policy problem (ethnic bias) which is relevant for both majorities and minorities. As symptoms are alarming, it seems necessary to address the problem in a more effective way.

The concept of ethnic bias offers an innovative approach to promote non-discrimination and equal opportunity policies in multi-ethnic communities. Ethnic bias is a policy concept that explains inequity and indirect discrimination in access of minorities to public services with the

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14 quote data and other references
relationship between the institutional structure and public policies determining rules and structures of service delivery. As public policies are produced by governmental institutions we suggest that government matters in eliminating it.

The concept of ethnic bias acknowledges that public policies are result of a complicated process of policy formulation, adoption and implementation. It is suggested that the type and level of ethnic bias depends on the combination of the following four main components:

- participation in setting the policy agenda,
- representation in the process of policy formulation and adoption,
- the involvement in the implementation of public policies and
- the type of encounter between the dominant group and the minorities
3. THREE MAIN COMPONENTS OF ETHNIC BIAS: AN ANALYTICAL FRAMEWORK

Transition and ethnic bias

Reform of public service introduced market-driven rhetoric in the field of public administration. Budget restraint, result-oriented public management, cost-effectiveness and efficiency became the new paradigms in government in countries of CEE. These values, associated with the “New Public Management” left little room to accommodate ethnic diversity in public service: in most cases, policies of accommodation result in directly measurable costs and are likely to produce results in long-run only. Consequently, the new public management approach to service delivery contributes to systemic discrimination of diversity representation in the public sector and thus may generate unfair processes.

Reforms of the public service involved also the redefinition of rights, obligations and social justice. These reforms, inspired greatly by new orthodoxy of welfare ceased regarding social benefits and services as social rights. New orthodoxy emphasize that obligations and rights are connected and thus only contributing members of the communities can apply for benefits. This new approach to social rights also contributed to the worsening access of minorities with little political voice and low capacity to resist to new policies through democratic processes to public services.

There are three major processes which contributed to the institutionalization of ethnic bias (see Figure 1. on page 22.). These processes are the decentralization, the civil service reform and the changes in policies of social welfare. The following section will provide and analytical framework to highlight major components of ethnic bias in the context of transition in CEE.
a) Decentralization and public participation

There are strong arguments to support various forms of decentralization. Distribution of authority among branches of government provides a system of controls and balances that makes abuse of authority by any levels of government less demaging for democracy and by the same token it reduces the opportunity for the tyranny of by majority. In general, decentralization of power and resources to lower levels of government is generally desirable because it brings citizens closer to public decisions\textsuperscript{15}, by making it easier for them to excise their voice about the preferred combination of policies and the distribution of public good\textsuperscript{16}.

Besides these strong arguments for decentralization, there were some arguments against it. Whereas decentralized governments are less likely to suppress the expression of interest and their decision-making is more accessible for ordinary citizens, decentralization has it costs. Namely, it may hinder implementation of policies. Local governments as well as local officials empowered with relatively large discretion over defining rules of distribution and managing local public resources may have a capability to obstruct policies of the central government\textsuperscript{17}. In a decentralized system, central governments will have little coercive power to enforce the implementation of such policies\textsuperscript{18}.

In Central and Eastern Europe, decentralization of public decision-making systems was the first step towards introducing modern, democratic governance. The aim of decentralization was to grant local communities autonomy over resources and institutions, to bring policy formulation and implementation closer to the public and thus to make government responsive to local needs and accountable to local citizens. Since the early 1990, most of these states adobted reforms of government and as a result, in many of these countries, local authorities gained competencies to design policies allocating resources, and to administer implementation of these policies.

\textsuperscript{15} more about the priniciple of subsidiarity in CoE Charter on Local Self-Governments
\textsuperscript{16} Weimer-Vining (1992) p. 139
\textsuperscript{17} for example implementing minority rights (providing bi-linbgual access to public services or education for minorities)
\textsuperscript{18} Monitoring or evaluation: costly and time consuming and needs institutional framework (France: Delegation Interministerial pour une Evaluation des Politiques Publiques)
However, in most countries, decentralization programs were centered around legal and professional issues like the scope and duties of public administration at each level of government, property issues and fiscal decentralization. Mechanisms of local decision-making remained peripheral for legal and administrative experts shaping direction for change\textsuperscript{19}.

From the point of view of minorities there were two major questions related to the new systems. The first was whether the systems delegated certain degrees of autonomy to minorities living in territorially concentrated areas and secondly whether those new systems included institutional guarantees for the representation of those minority groups living scattered around the country. \textsuperscript{20}

Experience shows that decentralization and introduction of the principle of subsidiarity can be very effective in promoting access to public decisions. However, decentralization did not necessarily bring governance and government resources closer to people in the region. In most countries of CEE, local governments fail to create appropriate institutions to channel policy preferences of minorities in decision-making process, due to a combination of lack of information, adequate skills and technical expertise\textsuperscript{21}.

In the process of formulation of the new systems of local self-governments questions of strictly professional issues such as taxation, distribution of resources between various levels of governments, distribution of property and the definition of the compulsory tasks of local governments structured the debates. Little or no attention was paid to issues of related to the quality of governance such as citizens’ participation in local decision-making, transparency or representation of minorities. Therefore, the representation of minorities in policy processes still depends largely on the political will of local decision-makers. \textsuperscript{22}

\textsuperscript{19} T.M.Horvath (2000)
\textsuperscript{20} for example the recent law on decentralization in Slovakia involved a lot of debate about the territorial division of power which would probably empower minorities, especially Hungarian minority at the sub-national level of government
\textsuperscript{21} Biro-Kovacs (ed) (2001)
\textsuperscript{22} one example powerful example is the system of so-called „Minority Local Self-Government” which has been instituted in 1993 by the Law 77/1993 on National and Ethnic Minorities to promote cultural autonomy of minorities. However, this law includes only a few and weak guarantees for the participation of minorities in decisions affecting the whole community, such as budget, infrastructure etc. Include reference to case studies from Hunagry
In most countries of CEE local governments deliver basic public services. Local governments together with local public institutions decide also on the level of provision and the rules of access. Although those basic services provide services for all inhabitants of the community, rules of access may have different impact on minorities which have special social and demographic needs. In case of lack of effective participation in decision-making processes over the priorities for public spending, preferences and needs of minorities may not reach the public agenda and consequently, there is a risk that access of citizens belonging to those groups might become arbitrary or sub-standard.

In some countries, especially in those countries that witnessed some levels of conflict between ethnic majorities and minorities some patterns of power-sharing or at least institutions to promote participations has been set up. Such institutions might take the form of the mediators, specialised bodies etc. These bodies and institutions regulates participation of minorities in a restricted way, prescribing only certain issues or offering only consultative rights. In other cases, the participation of minorities is arranged through election laws, promoting guaranteed seats or lower thresholds for members of minorities.

However, in general, decentralization and devolution of the state resulted in better quality of governance in many cases. Sub-national levels of government created more accountable and transparent forms of power with granting more autonomy for local communities. However, decentralization helped little in case of minorities living in disadvantaged rural areas without significant incomes. Other problems occur when local governments are not capable or not

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23 Roma minority for example have a much younger composition and thus their needs for childcare institutions and education might be different from other groups. Similarly, Greek minority in Hungary or German minority in Poland includes mostly elderly people depending on various social and health services. Therefore decisions about the level of those services may have an impartial impact on the life and living conditions of the minority community.

24 Institution of the „Roma Clerks” in Czech Republic

25 committees of national and ethnic minorities or committees of human rights in Hungarian local governments of which representatives of minorities are full members (see case studies)

26 an example for the restriction is the controversial rights of the Presidents of Minority self-governments in the open sessions of the General Assembly of the Municipal Council. But the right to participate does not mean that the President of the self-Government can vote and the General Assembly can order closed meeting if they wish to exclude the representative of minorities. Another example is the system of Romani clerks at Czech municipalities. Roma clerks being employees of the municipality often fail to channel Roma initiatives into the policy agenda of the municipality. In Bulgaria, social workers in charge of doing means-tests for social assistance of long-term unemployed became employees of Ministry of Labor to avoid conflict of interest in serving clients as being the employees of the municipality interested in cutting back allowances.

27 Regional differences, balancing inequalities
willing to take on inclusive policies. In these case disempowered central power can do little to remedy inequalities. In most cases it is only through strong central intervention that redistribution in the interest of public good can take place. A weakened, decentralized state will not be able to engage with major programs effecting redistribution. (UK, France, etc)

b) New Public Management and representation of diversity

Parallel to the major institutional changes, reform processes resulted in changes in the policy environment as well. In the 1990s civil service reform was guided by the school of “New Public Management”. This approach has emerged in Western Europe as response to the slow-down of world economy. New Public Management (NPM) was a response to neo-liberal challenges to welfare state and public sector. Main elements of this approach are borrowed from the market economy and business management: NPM promotes the introduction of hard budgets, it uses cost-efficiency as the major criteria for selecting between policy alternatives, and it emphasize the improvement of the quality of services but above all it is aimed at reducing public spendings. Another important element of the NPM is that it seeks for limiting the scope of public sector by promoting efficient systems of public service delivery. NPM perceives public administration and the government as actors of the market acting rationally to pursue their goals.

Public administration and civil service reform have been guided by principles of NPM, such as, professionalism, efficiency, impartiality and last but not least accountability. However, due to the legacy of nationalist-communist regimes which regarded the state and public administration as the ethnic property of the majority population, the establishment of mechanisms, to guarantee representation of minorities within the structure of public administration, have been resisted to various degrees throughout the region.

The problem with NPM is, that it not very sensitive to those values related to democratic governance: participatory processes. Bargaining between conflicting interest is either cost-effective or necessary leading to rational decisions.

28 contracting out public services
29 There are hundreds of policy publications on the reasons and possible answers to governmental and market failures.
30 to central government and other public institutions „Good governance” involves also accountability: control of citizens over public spendings
Although NPM might seem neutral from the perspective of ethnic diversity and public policies, in practice, it strengthens systemic bias towards majority: a public administration and a civil service guided by principles of cost-efficiency and interested in achieving visible results in the short-run are likely to disregards or overlook preferences of minorities. Ethnic diversity and special provisions and services to responding to needs of minorities is never cheap and are likely to show outcomes in the long-run only. In such environment minorities have very little chance to define indicators of performance of the civil service therefore NPM involves a risk that the evaluation of public services can become independent of the assessment of the users (citizens). Therefore, it is important to note, that despite of its professional “façade” the NPM approach is not neutral in terms of diversity issues, rather it could be a contributing factor by supporting status quo deciding on the allocation of resources and power\(^{31}\).

The lack of recognition that ethnic diversity in government as well as in administration involves the risk that public institutions and governance will reflect the interest of ethnic majority only. The policy implication of the exclusion of minorities from societal and policy processes is that majority can successfully screen policy choices of minority out of the public agenda. This will lead to the exclusion and deprivation of minority groups\(^{32} \).\(^{33}\)

Recently new policy approaches started to emphasize qualitative criteria of good governance. This literature suggests alternative strategies of public management and emphasizes structural changes that challenge narrow power over policymaking, bureaucratic isolation and the lack of responsiveness. Principles of Good Governance means much more than merely pursuing decisions along economic rationality. Good governance promotes the harmonic coexistence of different cultures and values. Accordingly, in a society based on good governance, public services, the level of provision and rules of distributions are results of a complicated process of bargaining between groups of various values and interests. These processes of negotiations, bargaining and dialogue between various social groups and the state is not efficient but is

\(^{31}\) for a critical review of NPM from the point of view of ethnic diversity, read O.P: Dwiwedi (2001) in the conference report of the UN Public Administration Network on „Managing Diversity”

\(^{32}\) Narayan (1999)

\(^{33}\) see examples of Russians in the Baltics, Roma in CEE and the Balkans, Albanians in Macedonia etc.
certainly effective because it integrates the community through participation and strengthens the state as the implementers of the agreed (and thus legitimate) policies\textsuperscript{34}.

To a large degree, policy impacts are evaluated by a broad public. Different parts of the public can come to diverging conclusions about the success or failure of the same program. Policies viewed as beneficial by some communal segments may be seen as discriminatory by others\textsuperscript{35}. Outcomes which appear to state managers (efficiency, effectiveness etc) may seem less benign from the perspective of those affected\textsuperscript{36}. These cases will likely to cause deep social conflicts which then has to be dealt with.

While in the present conjuncture of market-friendly development of policies are unlikely to be successfully challenged, a clear recognition of a need to balance liberal economic principles with an acknowledgement of social costs of deepening ethnic inequality is critical.

c) New politics of welfare: borders of the community

The third major change that had a major impact on rules of distribution, thus, on the access to public services. Ten years after the transition from state socialism, most countries are still struggling with both inheritage of universal systems and the implementation of various reform policies. Most of these policies are to establish selective systems based on rights and entitlements strictly linked to contributions and by reducing number of services provided on a universal basis. Also, private services to competing with public systems of health, education, welfare, pension etc. resulted in the segregation of users of public services.

The New Politics of Welfare (NPW) touches upon social justice\textsuperscript{37}. The NPW articulates the central feature of a liberal theory of social justice and hence it creates a new connection between

\textsuperscript{34} such as rules and levels of redistribution
\textsuperscript{35} example: special schools for the Roma supposed to promote integration of the Roma into the mainstream society. However, many research proves that Roma perceive those segregated institutions as means of marginalization (see recent studies on special schools in Czech Republic, Slovakia and Hungary)
\textsuperscript{36} see cases on local policies to address complex socio-economic problems of Roma in Szekesfehérvár, Hungary and in Usti nad Labem Czech Republic in 1998 and 1999 (Check references)
\textsuperscript{37} New Politics of Welfare (Bill Jordan, 1998)
freedom, equality and social need. NPW appeals to the moral sentiments of the “deserving”. This new orthodoxy matches rights with responsibilities (obligations). By linking rights and obligations, systems based on NPW justify only a formal equality of opportunity by insisting that social needs of the population must be provided from earnings from the labor market (wages). NPW promotes private provisions which are to replace collective/universal benefits. From this perspective, social rights are provided only in connection with membership, as it emphasize redistribution within the boundaries of a mutually contributing community.

It is often the crisis of the welfare state which justifies reforms of welfare provision. Reforms linked to the NPW are largely the result of the globalization in Western countries and the results of political transformation in CEE. Before the transition, social welfare provisions were provided based on the principles of social citizenship. In the course of transition, the principles of social justice were redefined. New definitions include a sharp distinction between those who merit and those who do not, by creating categories such as “deserving” and “belonging”. These categories may be used for policies that result in differential or impartial impact on various ethnic groups.

In multiethnic societies of CEE, the NPW raised questions about the treatment of various ethnic groups. From the perspective of social justice and access to public services, the major issue is that official agencies (central and local) may require conformity to various obligations and conditions for receiving benefits and services. Almost all laws and rules have differential impact on various ethnic groups by promoting certain ways of life and privileging certain types of contributions to the public wealth. This may easily result in policies that discriminate against minorities living at the edge of society and contributing to grey and black economies. In case minority groups cannot comply with those requirements, NPW may actually become an argumentative support for disintegration of non-contributing groups. In case of NPW coupled

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38 B. Jordan ibid
39 dabates over the role of the state, the size of the state, the relationship between state and citizens, level of public services to be provided, basis of provision etc.
40 T.H. Marshall: social citizenship: integration, inclusion
41 insert exampoles: minority education
42 case studies: review of by-laws: conditions that might have a differential impact on minority groups
43 Immigrants in Western Europe, minorities in CEE and displaced people and new minorities in SEE
with national renewal in CEE, NPW could contribute to increase ethnic bias (or even conflicts) by labeling certain minorities as non-deserving.44

Whereas decentralization contributes to the formulation of ethnically biased by leaving institutional frameworks of representation and power sharing un-regulated, reforms of public administration strengthen ethnic bias through promoting management systems evaluated against measures of economic efficiency only and through the denial of broader social costs of policies. New Politics of Welfare provide an argumentative support of new rules of redistribution based on membership. The New politics of Welfare is an ideology45 that creates a social welfare system which is based on the economic cooperation between members of the community by linking economic efficiency and social justice. Such rules of distribution may result in the effective exclusion of Roma in CEE, Russians in the Baltics, new minorities of the states of former Yugoslavia46.47

However, it is quite easy to project the mid-term results of welfare policies based on NPW: by depriving poor and marginalized minorities from benefits will provoke resistance, non-compliance and increased group mobilization.48

**Figure 1. Reform processes and their impact on the context of policies determining rules of access to public services**

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44for example introduction of welfare to work programs targeting Roma, reforming family benefits discriminating against Roma in Hungary and other examples
45as it creates moral categories by defining justified and unjustified needs
46 Examples: Usti, Szekesfehervar, Macedonia, Kosovo etc.
47 Insert more examples
48 case of Roma in CEE, Albanians in Kosovo, Russians in the Baltics or the Pomaks in Bulgaria
VARIOUS REFORM PROCESSES AND THEIR IMPACT ON THE CONTEXT OF POLICIES
DETERMINING RULES OF ACCESS TO PUBLIC SERVICES

INSTITUTIONAL REFORM

PUBLIC SERVICE REFORM

New Public Management (institutions)

SOCIAL WELFARE REFORM

New Politics of Welfare (Rules)

Public Policy Processes:
Decisions about public services and rules of access

PUBLIC

SERVICE
Delivery

citizen
citizen
citizen
citizen
citizen
citizen
citizen
citizen
citizen
citizen
4. **Research Questions and Working Hypothesis for the Research**

There are three main questions which structure this research on equitable access of minorities to public services.

1. Can efficiency and equity be reconciled through ethnically unbiased public policies?
2. Can various types of ethnic bias identified?
3. Can the identified type of bias associated with a presence of various types of ethnic relations?

These questions should be answered after the comparative analysis of case studies from various local communities in the region developed by the research team.

As it has been discussed under chapter 2 and 3, the concept of ethnic bias suggests that inequitable access of minorities to locally provided public services is the result of gaps in various stages of the policy process. This is why working hypothesis has been developed on the basis of “policy cycle model” (see Figure 2. On page 26).

**a) Policy agenda: “filter hypothesis”**

Due to their of adequate power-sharing models, minorities have little impact on formulation of the local policy agenda. Policy-makers are mostly members of the dominant group and act as gate-keepers to filter demands of ethnic groups. Without the effective participation of minorities in the local decision-making process becomes biased against inputs from minorities.

From a pluralist perspective, the definition of problems and the setting of policy agendas is essentially the outcome of a process of competition between different groups. However, it is not necessarily true that people in with the greatest need participate in politics most actively. Bias against certain interest may be institutionalized and thus making it very difficult for certain demands to penetrate the policy agenda.
This relates to a problem of bias. By filtering interest of minorities out from the policy agenda, governments fail the criteria of responsiveness and thus promote ethnic bias.

In case of welfare rights this can result in filtering out claims for policies that would benefit minorities and the re-direction of public funds towards needs expressed by other, more powerful groups.

b) Policy formulation: “hypothesis of biased policy choices”

Once a problem is acknowledged and included to the agenda, decision-makers will engage in developing policy alternatives to address the problem. Ethnic minorities may have policy preferences that are different from that of the dominant groups. However, due to the lack of appropriate institutions of bargaining and the frequent under-representation of minorities, minorities have little chance to develop and promote policy alternatives to solve policy problems. As these alternatives are in most cases left out of the real decision-making process, there is a risk that the selected alternative will have a negative or un-proportional impact on the access of minorities to the services established by these policies.

In case of lack of formal (or at least informal) institutions of bargaining involve a risk of biased choices: minorities will not be able to influence selected policy options, including the rules of access.

c) Policy implementation: hypothesis of ethnic monopoly

There are very few representatives working in civil service and public administration. Consequently, state administration remains the monopoly of the state. This situation affects the implementation of various policies. Ethnic bias may occur in at least two ways. First case is when access is hindered by linguistic, cultural, social or other differences between the public official involved in the delivery of public service. The second case is when members of minority feel discouraged by applying for services to public agencies run by the dominant group.
In most countries of CEE, government and state administration remained the monopoly of dominant ethnic groups. Mono-cultural (and in most cases mono-lingual) view of government and administrative culture as well as the lack of power-sharing and effective participation of minorities often resulted in ethnically biased institutions and policies.

Figure 2. The policy Process and the risk of Ethnic Bias
THE POLICY PROCESS AND RISKS OF ETHNIC BIAS

SETTING THE POLICY AGENDA

POLICY PROBLEM

DEVELOPMENT

IMPLEMENTATION (DELIVERY)

RISK OF ETHNIC MONOPOLY

RISK OF FILTERING OUT NEEDS OF MINORITIES

DECISION-MAKING: SELECTION OF

EVALUATION
5. CONCLUSIONS: WHY TO STUDY ETHNIC BIAS?

Why to study ethnic bias? There are both scientific and professional reasons for engaging in a research on policy processes that determine the access of minorities to public services.

From the point of view of scientific interest, such a study will contribute to a better understanding of those policy processes that result in unfair (biased) access of minorities to locally provided public services. An increased understanding of a wider policy context of how public policies can offer real response to challenges posed by marginalisation and segregation of ethnic communities which threatens social cohesion, stability and economic prosperity in the region.

Professionally, it is timely and important to contribute to the promotion of equal opportunities, equitable access and non-discrimination within public services. This issue has become a key priority for all governments of CEE in the process of EU accession. In support of this priority, governments have to develop unbiased, inclusive policies that provide an opportunity to build successful multiethnic societies in the region. As it is obvious that policies of equitable access to municipal resources and municipal infrastructure will soon clash with interest of well-established networks and pronounced interests decision-makers should be empowered with policy recommendations to meet such challenges.

The concept of ethnic bias suggests a neutral, de-politicised approach to observe a highly sensitive issue. Since the past five years, having been involved in various projects addressing local governments’ capacity to accommodate ethnic diversity, it has become clear that such an approach is key to gain cooperation from any public bodies. Also, an approach which offers governments an opportunity to take an active role in preventing discrimination will be more efficient then the introduction of new standards.

Moreover, removing ethnic bias from policy processes - which is among the political criteria of EU accession - is not only beneficial for citizens members of various ethnic and national minorities. In a longer run, providing public services in fair and equitable ways is a win-win strategy. Non-biased policies developed by inclusive governments will strengthen democracy, stability and prosperity.
The overall goal of studying ethnic bias is to encourage thoughtful public policies that deal evenhandedly with all ethnic groups, that are inclusive and which therefore create cohesion in society.