

Political Parties and Intergovernmental Transfers in the Republic Of Macedonia

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Abstract: Republic of Macedonia by adopting the Law on Local Self-Government and Law of the City of Skopje, and the Law on Financing of the Units of Local Self-Government and Law on Balanced Regional Development, has created the base of the system of financing local government units. Decentralization was another step to the higher development of democracy, more successful state, and transparency in spending public money. Fiscal decentralization is assigning fiscal decision making powers and delegating competencies of local self-government units through a series of reforms for increasing their fiscal autonomy. With Fiscal decentralization appears a problem with intergovernmental transfers.

Keywords: Political party, Units of local self-government, Municipality, Grant.

I. INTRODUCTION

We often hear that some local self-government units receive solid resources, other receive substantially less resources, while the central government collects "the best" resources.

Another problem is a transfer from the Budget of the Republic of Macedonia and the budgets of the Funds, to the municipal budget. Our Ministries and Funds for allocation of capital grants are obliged to give priority to projects that have fully obtained financial sources or real sources of income.

In the article 18 and 20 from the Law on financing of the Units of Local Self-Government the Municipality may take domestic and foreign loans from abroad only with a previous consent by the Ministry of Finance. The Municipality shall not be allowed to mortgage municipal property that serves for realizing activities of public interest prescribed by law.

Regarding, the debt of local government in the United Kingdom of Great Britain and Northern Ireland it is important to note that for current expenditure there aren't mandatory external audit, but if local governments have deficit it must be paid during the fiscal year. Also, for capital expenditures in the United Kingdom of Great Britain and Northern Ireland it is known that each local government have some limits or value that must not be exceeded. In Switzerland however, the procedure about loan of local government loans is different in various cantons. Decisions are made in the preparation of annual budgets, but if the amount of a project in one canton can not cover the annual budget, then the citizens make decision for that project on a local referendum. This decision is obligatory for the local government. In Germany, as in Macedonia, each municipality should have its own funding and revenues. Therefore, one of the most important tasks of municipality is planning, discussion, decision-making, and implementation of the budget. Municipalities have a number of incomes, such as: taxes, fees and loans. Municipalities in Germany, also, have right to loan. The amount of the loans that is taken by the municipalities should be repaid by the revenues of the current budget. The opportunity of municipalities for loans depends on how much tax one municipality can collect. Municipalities in the Federal Republic of Germany receive grants from the provinces, donations in order to achieve balanced regional development. In Germany there are: proportional grants (money to reduce differences in municipalities), grants for needs (money to reduce the budget deficit) and earmarked grants (grant that is given under the condition that it can only be used for a specific purpose). Funds of local government units in Germany are based on a four year financial plan prepared by the concerned local government units for funds.

II. LOCAL SELF – GOVERNMENT UNITS IN THE REPUBLIC OF MACEDONIA

In Macedonia we can see that the Local Self-Government Units do not have enough funds to finance the delegated competencies, so we can tell that public institutions and party organizations are controlled by a small center of power. To reduce the influence of political parties in Macedonia each local self - government unit needs to achieve financial self-sufficiency, that is to have a financial independence but also has the necessary funds for effective maintenance, renewal and development. But financial self-sufficiency of the Local Self-Government Units depends on the whole financial capacity of the state, depends on the relation between central government and Local Self-Government Units, on the effective functioning in all sectors in the Local Self-Government, and on the foreign investment. Compared with the countries of Europe and the Balkans, local government revenues in our country are very low. Compared with the Balkan countries, the income of Local Self-Government Units in the Republic of Macedonia is on the same level of those countries in which the local government has not paid salaries in the public sector. We think that even if local revenues increase to 7 percent of gross domestic product over the next few years, they will still be low compared with other countries in the region.

Nevertheless, we are convinced that something must be done. We should point out that even in the most liberal systems the freedom of financial systems of Local Self-Government Units is not understood absolutely, but the state strengthens the local government units and stimulates the balanced regional development. Various questions as the following are raised: Are the capital grants in Macedonia aimed to implement the policies of the central government, and can you take grants if your political option is different from that of the central government? Suppose that every Local Self-Government Unit works efficiently and effectively, and scores good results when functioning in a democratic ambient. It also plans its local development, applies for development at the regional level based on all possible available resources, businesses and people in the region.

III. POLITICAL SYSTEM IN THE REPUBLIC OF MACEDONIA

Plural political system in a state and Local Self-Government Units, should offer a lot of development programs, alternatives and opinions. But the central government plays a significant role in the implementation of local solutions in the realization and identification of regional development priorities. Political parties in the Republic of Macedonia, their inter-party organization, are organized territorially. In practice, our political parties don't work by the spirit of their political ideology and political programs. To look on party ideology static is totally wrong, but sometimes the choices they make and the actions they take are completely opposite to the political party ideology and their programs. The most important role in the political world play the personal political interests and powerful business elite. In Macedonia everybody thinks that if you lose the political power you will lose a luxury lifestyle, higher social status, your high authority, prestige and privileges. Bad political behaviour, confrontations and lack of political dialogue is the everyday picture of the state in the Republic of Macedonia.

Are we a society where liberal and democratic values and missing of consensual political culture are present? We need flexible political parties, political parties that act accordingly, and a positive intra - party organization in which each individual has a chance to become a professional politician. Analyzing the intra party relations, we can see that the relationship between central and local "office" in each party, has one of the following forms: dominance of local party "offices" over central "office", a state of balanced power between the central party "office" and local "offices", or dominance of central party "office" over local party "offices" (Duveger, 1954).

In the Republic of Macedonia, like in other new democracy countries, political parties are new, usually formed just before democratic elections thus ensuring a place in the Parliament at a very early stage of their development. Political parties in the Republic of Macedonia go on local and government elections before they develop their party organization, goals and strategy. The impact of the low center of power in political parties is present because in most cases the political parties have not developed organizational structure far beyond the central "office" and from the very beginning they "occupy" a leadership position.. Political parties and new democratic states need to dedicate much of their time to determine the real needs of society and to concentrate their activities according to their citizens' needs, to work for the them, and to establish their conditions for good life in one modern democratic society.

The political parties in the Republic of Macedonia need to implement social requirements in state institutions, which will result in a firm confidence of the electorate. It is also necessary for the public officials to acquire their own position as a

result of professionalism, competence, diligence, transparency in the performance of duties and responsibilities of officials, not according to party affiliation. One of the fundamental values of the constitutional order of the Republic of Macedonia is political pluralism and free, direct and democratic elections (Constitution of the Republic of Macedonia, Article 8). Constitution guarantees citizens free establishment of associations and political parties, except the programs and activities of associations of citizens and political parties which should not be directed at the violent overthrow of the constitutional order of the Republic of Macedonia, should not encourage military aggression or national, racial or religious hatred or intolerance. Citizens are guaranteed freedom of association to realize and protect their political, economic, social, cultural and other rights and convictions (Constitution of the Republic of Macedonia, Article 20 paragraph 1). Also, in the Constitution of the Republic of Macedonia in Article 20 paragraph 2 is stated that citizens may freely establish associations and political parties to join them and resign from them. Recognition of different opinions, different interests and views in Macedonian society, enabling every 1000 citizens with voting right to form and become members of political parties, as well as preserving the multi - ethnic character of our country, gives a clear image that makes Republic of Macedonia a real democratic state.

Regarding the issue of participation of members of political parties in decision making processes, we can see that although formally all political parties guarantee their members a long list of rights and participation in political life, in reality the party membership is not actively involved. Activities of the members of political parties, and the rights of citizens are intensely activated during the elections. Individual values prevail over ideology, political program and political convictions.

IV. INTERGOVERNMENTAL TRANSFERS IN THE REPUBLIC OF MACEDONIA

The wish of every citizen is to live in a modern society, to live in a beautiful and developed local government, in which every citizen will feel nice and secure. If we like a Local Self - Government Units to achieve development we need to plan the development of their government to succeed in balancing their strategic plan with the self local budget, action plans for balanced regional development and to be able to balance its strategic plan with the action plans of the central government.

If the Local Self - Government Units achieve that balance, the Local Self - Government Units will reach the goal and vision for the development of that Local Self-Government Units for the next 5-6 years. A question is raised once again: Is this kind of balance possible without political interference, and how much political influence should be allowed? To achieve local development planning of a Unit of Local Self-Government we need freedom of speech, mass communication in the municipality, exchange of ideas, views, through all available media, which would result in informing citizens for the objectives of the Local Self-Government Units, so that citizens could decide whether or not they accept the views of political "institutions." The analysis to identify solutions that will lead to the development of the municipalities show that it is best for the Local Self - Government Units with low levels of development to attract investment, the Local Self – Government Units with high level of economic development to keep local factories and future investments to focus on specific sectors and regions, while Local Self – Government Units with a relatively high level of economic development to focus on public - private partnership, helping private investment in public goods and strengthen the competitive advantages of the local government.

V. CONCLUSION

The power and influence is usually by a group of citizens, regardless of the size of Local Self-Government Units and the size of the available resources. If the size of Local Self-Government Units does not influence their development, then it is obviously a political one. Changes in the boundaries of the Local Government Units are often seen in the Republic of Macedonia. Hence, as the best solution would be leaning mutual association of local government units with natural, infrastructure, and financial capacity, in order to achieve firstly a regional development, which would lead to balanced development and the state as an intermediary to provide financial incentives regardless of political belonging to the central and local level? This kind of inter-municipal cooperation is envisaged in the Law on Local Self-Government, in Article 14 paragraph 2 of the Act states, that local governments can cooperate among themselves, join funds and establish shared public services. It would lead to:

- A better infrastructure,
- Better conditions for opening businesses,
- Greater employment opportunities,
- reducing emigration of citizens.
- The independence of Local Self - Government Units increasing the ability of making independent decisions regarding expenditures,
- Increasing funds allocated to all Units of Local Self - Government,
- Increasing ability of Local Self - Government Units to establish financial relation with private actors.

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