

EFFICIENCY OF GOVERNMENTS AND ITS FACTORS: THEORETICAL AND METHODOLOGICAL CONTEXT AND SOME MANIFESTATIONS ON THE EXAMPLE OF EASTERN EUROPEAN COUNTRIES

The article is dedicated to analysing various theoretical, methodological, practical and empirical manifestations, factors and correlations of the effectiveness of governments on the example of Eastern European countries. Despite the variability of the conclusions, it was stated that: party governments are less stable than non-party governments; party governments are more effective than non-party governments; systems of governance implemented within party governments are more effective than systems of governance implemented within non-party governments; democratisation contributes to the growth of performance indicators of governments and systems of governance. At the same time, it was found that the parameters of government effectiveness depend both on governmental and non-governmental, political and inter-institutional factors, including the degree of political representation at the level of party and electoral systems. In general, it was stated that democratic governance is more effective in its inherent political parameters than authoritarian one, although democratisation processes due to the development of political pluralism are not always the reasons for increasing indicators of government stability and efficiency. It was therefore argued that stability and efficiency of governments are not always directly, proportional or mutually conditioned.

Keywords: government, governmental cabinet, governance, political system, efficiency of governments, stability of governments, Eastern European countries.

SKUTECZNOŚĆ RZĄDÓW I JEJ CZYNNIKI: KONTEKST TEORETYCZNY I METODOLOGICZNY I WYBRANE SYMPTOMY NA PRZYKŁADZIE KRAJÓW EUROPY WSCHODNIEJ

Artykuł poświęcony jest analizie różnych teoretycznych, metodologicznych, praktycznych i empirycznych przejawów, czynników i korelacji efektywności rządów na przykładzie krajów Europy Wschodniej. Pomimo różnorodności wniosków stwierdzono, że: rządy partyjne są mniej stabilne niż rządy niepartyjne; rządy partyjne są skuteczniejsze niż rządy niepartyjne; systemy zarządzania wdrażane w ramach rządów partyjnych są skuteczniejsze niż systemy zarządzania wdrażane w rządach niepartyjnych; demokratyzacja przyczynia się do wzrostu wskaźników wydajności rządów i systemów zarządzania. Jednocześnie stwierdzono, że parametry skuteczności rządzenia zależą zarówno od czynników rządowych, jak i pozarządowych, politycznych

i międzyinstytucjonalnych, w tym od stopnia reprezentacji politycznej na poziomie systemu partyjnego i wyborczego. Generalnie stwierdzono, że forma rządów demokratycznych jest skuteczniejsza w swoich nieodłącznych parametrach politycznych niż autorytarne, chociaż procesy demokratyzacji wynikające z rozwoju pluralizmu politycznego nie zawsze są przyczyną zwiększania wskaźników stabilności i skuteczności rządu. Dlatego argumentowano, że stabilność i skuteczność rządów nie zawsze są bezpośrednio, proporcjonalne lub wzajemnie uwarunkowane.

Słowa kluczowe: rząd, gabinet rządowy, rządzenie, system polityczny, efektywność rządów, stabilność rządów, kraje Europy Wschodniej.

ЕФЕКТИВНІСТЬ УРЯДІВ ТА ЇЇ ЧИННИКИ: ТЕОРЕТИКО-МЕТОДОЛОГІЧНИЙ КОНТЕКСТ І ДЕЯКІ ВІЯВИ НА ПРИКЛАДІ КРАЇН СХІДНОЇ ЄВРОПИ

У статті проаналізовано розмаїті теоретико-методологічні й практично-емпіричні вияви, чинники і кореляції ефективності урядів на прикладі країн Східної Європи. Попри варіативність висновків констатовано, що: партійні уряди менше тривалі, ніж непартійні уряди; партійні уряди більш ефективні, ніж непартійні уряди; системи урядування, які проводяться в рамках партійних урядів, більш ефективні, ніж системи урядування, які проводяться у рамках непартійних урядів; демократизація сприяє приросту показників ефективності урядів і систем урядування. Водночас виявлено, що параметри ефективності урядів залежать як від урядових, так і від позаурядових, політичних і міжінституційних чинників, в тому числі від ступеня політичної репрезентації на рівні партійної та виборчої систем. У цілому констатовано, що демократичне урядування ефективніше за своїми іманентними політичними параметрами, ніж авторитарне, хоча демократизаційні процеси через розвиток політичного плюралізму не постійно є приводом приросту показників урядової стабільності й ефективності. Загалом вмотивовано, що стабільність та ефективність урядів не завжди є прямо-пропорційними чи взаємно зумовленими.

Ключові слова: уряд, урядовий кабінет, урядування, політична система, ефективність урядів, стабільність урядів, країни Східної Європи.

Governments, as evidenced by the theory and practice of politics, are the defining and main political institutions in most countries, regardless of their history, features of political systems, parameters of inter-institutional relations, types of political regimes and so on. This is due to the fact that governments (or governments and heads of state, depending on the parameters of interinstitutional relations), as the top executive systems, in most cases prepare, adopt and

promote important or decisive managerial, administrative and even political decisions on which the direction depends and the specifics of the real sector of the economy and living standards in certain countries. Accordingly, the effectiveness of governments (and government systems in general) is an extremely important analytical and practical category or phenomenon, as it both theoretically and practically influences and determines the effectiveness of political systems and the political course of certain states and regions. In this context, Eastern European countries, in particular Azerbaijan, Belarus, Armenia, Georgia, Moldova, Russia and Ukraine, which are positioned as a separate cluster of the political process with quite different schemes and systems of government, and thus with different understandings of governments and approaches to the interpretation of their effectiveness. With this in mind, the proposed research focuses on the theoretical and methodological context of understanding the nature and factors of government effectiveness (necessarily within government systems), as well as on some manifestations of government effectiveness in the example of Eastern Europe.

Political theory shows that a separate categorical part in the structure of the effectiveness of government and the effectiveness of political systems in general is the actual efficiency of governments. This consolidated indicator or subject authority includes a number of principles that interpret the perception of how effectively the government or administration works in the provision of public services or in terms of quality of civil service, including in terms of ensuring some degree of independence from political pressure and that more importantly from the perspective of assessing the quality of political and administrative decisions made and implemented, as well as with reference to the extent to which government policy and government activities are trusted, in particular by citizens of certain countries, including Eastern Europe. This understanding of the effectiveness of governments is complemented by its interpretation as a threefold array of components, including the process of forming and terminating the powers of governments, the ability of governments to effectively manage and implement their rational courses, and the respect of citizens and states for institutions regulating basic economic and social interactions¹. This, as D. Kaufmann and A. Kraay point out, determines that the effectiveness of governments is definitely determined by such indicators as its managerial and political performance (government efficiency as such), regulatory quality, corruption control and, conditionally, the rule of law².

Accordingly, due to scholars³, there are various manifestations and indicators of the effectiveness of governments, including in the effectiveness of government systems and political systems in general, which can be applied to different countries and regions of the world as comparatives. One of the clusters and factors of government efficiency is a kind of representative

¹ Kaufmann D., Kraay A., Governance Indicators: Where Are We and Where Should We Be Going?, *World Bank Research Observer* 2008, vol 23, s. 1-30.

² Kaufmann D., Kraay A., Mastruzzi M., The Worldwide Governance Indicators: Methodology and Analytical Issues, *Hague Journal on the Rule of Law* 2011, vol 3, s. 220-246.

³ Kaufmann D., Kraay A., Mastruzzi M., The Worldwide Governance Indicators: Methodology and Analytical Issues, *Hague Journal on the Rule of Law* 2011, vol 3, s. 220-246.

indicators, including: the quality of bureaucracy, institutional efficiency and assessment of possible redundancy of bureaucracy; the quality of infrastructural development, the quality of schooling and the time spent by the top management of the government system in cooperation with officials; satisfaction with the public transport system, the system of roads and highways and the education system; the quality of public goods and the ability of the government to carry out reforms; assessment of bureaucracy in relation to the consistency of the political process and long-term planning. At the same time, the measure of the quality of bureaucracy is traditionally the moment that describes how quickly they make managerial and administrative decisions, as well as how simply foreign investors operate in a particular evaluated country or region. In turn, the consistency of the political process and long-term planning are determinants of how successful business development is a projection of hereditary credit policy, because any change in government (executive power structure) inevitably violates key parameters in the political process and may call into question preservation of previous development strategies. Therefore, it is fundamental in this context to assess the far-sightedness of the government's course or, conversely, its short-term economic or social benefits.

Instead, the second cluster and factor of government efficiency is the so-called non-representative indicators, which combine such combinational and systematizing factors as: quality of public administration / administration, revenue mobilization and quality of budget management; addressing by governments questions that answer how problematic the development of telecommunications is for business growth, and whether the impact of energy and transport development on business is problematic; ability to reach consensus, ability to manage and efficient use of resources; division and management of state resources for rural development; quality of public administration, revenue mobilization and efficiency of budget expenditure management; indicators of how quickly government economic policy adapts to changes in the economy, how the civil service is dependent on political intervention, how effectively government decisions are implemented, how bureaucracy hinders business activity, and how efficiently allocates infrastructure and policies is considered sustainable⁴.

Taking into account various indicators or indicators of government performance and governance, in particular on the basis of their normalization and reduction to a common denominator (typically on the basis of the "unobserved components model"⁵ – in our case from -2.5 (the lowest government performance) to +2.5 (the highest government performance score), mainly under "The Worldwide Governance Indicators (WGI)"⁶ project (which combines and takes into account many statistical and information databases and other projects) under

⁴ Goldberger A., Maximum Likelihood Estimation of Regressions Containing Unobservable Independent Variables, *"International Economic Review"* 1972, vol 13, nr 1, s. 1-15; Kaufmann D., Kraay A., Mastruzzi M., The Worldwide Governance Indicators: Methodology and Analytical Issues, *"Hague Journal on the Rule of Law"* 2011, vol 3, s. 220-246.

⁵ *The Worldwide Governance Indicators project*, World Bank, źródło: <https://info.worldbank.org/governance/wgi/> [odczyt 20.10.20].

⁶ Data submission structure for each country-year in the column: first digit – indicator of productivity / efficiency of governments as such, second digit – indicator of regulatory quality of government, third digit – rule of law indicator, fourth digit – corruption control indicator, fifth digit (highlighted) bold) – the arithmetic mean of all other indicators.

the leadership of D. Kaufmann and A. Kraay, gives grounds to argue that in the XXI century. Eastern Europe: as of 1996, the efficiency of governments was highest in Armenia and Moldova (hybrid political regimes), and lowest in Azerbaijan and Georgia (mainly authoritarian regimes); and the lowest – in Azerbaijan and Georgia (mainly authoritarian regimes); as of 2004, the most effective governments in the region were Armenia, Georgia, and Russia (mostly in hybrid political regimes), and the least effective in Azerbaijan and Belarus (autocracies); regimes, and the lowest – in Azerbaijan, Belarus, Russia and Ukraine (mostly autocracies); in 2018–2019, governments were relatively most effective in Armenia and especially Georgia (exclusively hybrid regimes), relatively ineffective in Moldova (hybrid regimes), and least effective in Ukraine, Azerbaijan, Belarus, and Russia (mostly autocratic regimes).

On average in the region, it was found that during 1996–2019, the positive dynamics of government efficiency growth was characteristic of Azerbaijan and Georgia, as well as mainly Belarus and Armenia, but not quite typical of Moldova, Russia and Ukraine. Although, in contrast, positive (in the range of -2.5 to +2.5 points) indicators of government efficiency are characterized exclusively by Georgia, where this trend was initiated by reforms since 2004, onwards. Instead, the worst indicators as of 2019 were characterized by Ukraine and Russia (for details, see Table 1), in which the efficiency of governments was and remains extremely volatile.

Table 1. Government efficiency (within the framework of the efficiency of government systems and political systems as the arithmetic mean of government performance / efficiency as such, regulatory quality, rule of law and corruption control) in Eastern Europe, as of 1996–2019 (according to The “Worldwide Governance Indicators” (WGI))⁷

Years	Azerbaijan	Belarus	Armenia	Georgia	Moldova	Russia	Ukraine
1996 p.	-0,92	-0,38	-0,38	-0,64	-0,22	-0,45	-0,67
	-1,20	-1,09	-0,28	-1,01	-0,07	-0,43	-0,42
	-1,20	-0,80	-0,47	-1,26	-0,12	-0,79	-0,82
	-1,45	-0,39	-0,47	-1,53	-0,44	-1,05	-1,11
	-1,19	-0,67	-0,40	-1,11	-0,21	-0,68	-0,76
2004 p.	-0,74	-1,07	-0,09	-0,54	-0,87	-0,44	-0,60
	-0,59	-1,22	+0,13	-0,46	-0,44	-0,12	-0,40
	-0,87	-1,26	-0,42	-0,66	-0,33	-0,89	-0,76
	-1,16	-0,80	-0,61	-0,47	-0,98	-0,80	-0,93
	-0,84	-1,09	-0,25	-0,53	-0,66	-0,56	-0,67
2012 p.	-0,78	-0,90	-0,04	+0,61	-0,57	-0,42	-0,58
	-0,46	-1,07	+0,35	+0,16	-0,10	-0,34	-0,60
	-0,83	-0,94	-0,42	-0,01	-0,32	-0,82	-0,78
	-1,13	-0,52	-0,59	+0,40	-0,61	-1,04	-1,08
	-0,80	-0,86	-0,18	+0,29	-0,40	-0,66	-0,76

⁷ Data submission structure for each country-year in the column: first digit – indicator of productivity / efficiency of governments as such, second digit – indicator of regulatory quality of government, third digit – rule of law indicator, fourth digit – corruption control indicator, fifth digit (highlighted) bold) – the arithmetic mean of all other indicators.

2018 p.	-0,10	-0,30	-0,02	+0,61	-0,47	-0,06	-0,42
	-0,30	-0,65	+0,33	+1,13	-0,03	-0,55	-0,30
	-0,60	-0,83	-0,15	+0,33	-0,41	-0,82	-0,72
	-0,83	-0,19	-0,35	+0,71	-0,73	-0,85	-0,87
	-0,46	-0,49	-0,05	+0,70	-0,41	-0,57	-0,58
2019 p.	-0,14	-0,18	-0,07	+0,83	-0,38	+0,15	-0,30
	-0,23	-0,54	-0,30	+1,12	0,01	-0,43	-0,26
	-0,58	-0,79	-0,13	+0,31	-0,37	-0,72	-0,70
	-0,87	-0,06	-0,18	+0,67	-0,62	-0,83	-0,71
	-0,46	-0,39	-0,17	+0,73	-0,34	-0,46	-0,49
Dynamics	+	+/-	+/-	+	+/-	+/-	+/-

Źródło: *The Worldwide Governance Indicators project*, World Bank, źródło: <https://info.worldbank.org/governance/wgi/> [odczyt 20.10.20].

At the same time, other and more detailed conclusions, results and correlations have been recorded, which relate to and outline the effectiveness of governments – both in general theoretical and practical-empirical terms, in particular on the example of Eastern Europe. In particular, at the time of the analysis, the quality of the bureaucracy was highest (with positive dynamics relative to the world average) among all analyzed Eastern European countries in Georgia, and the lowest – in Azerbaijan, Belarus, Moldova and Ukraine. At the same time, there was no completely one-sided trend in the region regarding the correlation between the efficiency of bureaucracy and bureaucracy and the types of government cabinets and options for inter-institutional relations. It was also found that among Eastern European countries, the development of infrastructure and schooling was relatively best in Georgia and Ukraine, much lower – in Russia and Armenia, and even worse – in other countries in the region. At the same time, at the time of the analysis, all Eastern European countries could be structured into several subgroups in terms of the structure of their economies through the prism of the process of governing it. Thus, the factor-driven economy was mainly inherent in Moldova; the option of a transition format from a factor-driven economy to an efficiency-driven economy was inherent in Ukraine, Belarus, Azerbaijan and Armenia, and the transition option from an efficiency-driven economy to an economy driven by innovation – for Georgia and Russia⁸. However, in this context, it has been established that the economy is able to become more competitive under the conditions of forming even non-partisan governments, which is mainly demonstrated by the example of Russia and Azerbaijan. However, on the other hand, as the practice of Eastern European countries shows, the gap between the levels of economic competitiveness of countries with party or non-party governments is insignificant. At the same time, it was found that the economies in the analyzed countries of Eastern Europe are positioned more developed in those political systems that have strong presidents and relatively weak government cabinets. The paradox of the regional conclusion is that these are mostly countries not of the democratic type, but of competitive or even complete autocracies. The main reason for this conclusion is the effectiveness of the monocentric format of making and

⁸ Schwab K., Sala-i-Martin X., *The Global Competitiveness Report 2011-2012*, Wyd. World Economic Forum 2011.

implementing political and managerial, in particular governmental, decisions, which is much more difficult to understand in democratic systems. At the same time, it is informative that competitiveness within the economic potential of governments is mainly an indicator of the productivity of governments and government systems, i.e. a manifestation of a set of institutions, political processes and factors that determine how productive a country is or how rich it can be produced by the economy of this country.

In view of this, it is theoretically motivated that in statistical terms, a country's productivity based on the efficiency of its governments is the key to high-income stability. Instead, in a dynamic context, the productivity of the economy is one of the keys to the investment climate, resulting in an increase in the economic potential of the country, i. e. economic growth. Additionally, the study found that the effectiveness of governments and government systems in general is determined by institutional indicators, including the quality of public goods and the ability of political power to reform. This means that among the array of factors that affect the effectiveness of governments, it is necessary to identify those markers that determine the functioning of political institutions, public security, public administration, market freedom, levels of coordination and strategic vision of institutions, security agreements, regulation market and corporate governance, social dialogue and openness of society and the market, social cohesion, etc.⁹. This conclusion is relevant given that social, including economic and political, institutions are a set of formal rules and informal procedures that govern the behavior of individuals and organizations. Moreover, formal rules include constitutions, laws, regulations, political systems, and so on. Instead, informal procedures involve the application of social norms, values and beliefs. From this perspective, institutions structure incentives that influence behavior and therefore lay the foundations for economic efficiency as a manifestation of the performance of government systems in general and governments in particular. However, modern institutions (including political ones) are difficult to make a classical comparative analysis, and therefore, from the perspective of the effectiveness of governments, it is difficult to assess the extent to which some political institutions are "bad" and others "good". Accordingly, there is no optimal institutional model that can be used to analyze all the proposed countries, but instead it is appropriate to use different institutional configurations for different countries and even different periods of their development¹⁰. However, against this background, it is established that the countries of Eastern Europe in this context are positioned as divergent, rather than developed or convergent in terms of economic growth and the impact on this process of institutional efficiency of governments and government systems.

⁹ De Crombrughe D., Farla K., Meisel N., De Neubourg C., Ould A., Szirmai A., Institutional Profiles Database III: Presentation of the Institutional Profiles Database 2009 (IPD 2009), *Les Cahiers de la DGPE* 2009, nr 14, s. 79.

¹⁰ Aoki M., *Toward a Comparative Institutional Analysis*, Wyd. MIT Press 2001.; North D., Economic Performance through Time, *American Economic Review* 1994, vol 84, nr 3, s. 359-368; North D., *Institutions, Institutional Change and Economic Performance*, Wyd. Cambridge University Press 1990; Meisel N., Is „Good Governance“ a Good Development Strategy?, *AFD Working Paper* 2008, nr 58.

This conclusion is significantly supplemented by the interesting fact that different countries, including Eastern Europe, are heterogeneous in terms of the level of bureaucracy and consistency of the political process, as well as long-term planning of management processes. Against this background, our article confirms the already well-known conclusions of political science that: the efficiency of governments increases in systems where there is a reduction in the formal powers of presidents and heads of state in general; the efficiency of governments increases in systems whose political regimes are defined mainly as democratic (at least as electoral democracies, in particular as Georgia, Moldova and to a lesser extent Ukraine in Eastern Europe) or as hybrids (Moldova, Armenia, Georgia, to a lesser extent Ukraine); the efficiency of party governments (as in Georgia, Moldova and Armenia) is slightly higher than that of non-party governments (as in Azerbaijan, Belarus, Russia and partly in Ukraine). However, such a conclusion is not always relevant, as at one time in Georgia, particularly during 2005–2012; even non-partisan governments began to perform relatively well. This can be explained by the fact that non-partisan governments are different in their structure and efficiency. So, more effective are those non-party governments that are composed of specialized and apolitical technocrats and experts. On the other hand, non-partisan governments that serve the interests of the political regime, the head of state, the autocrat, etc. are less effective, even though they partly reveal the technocratic logic of their functioning (as in Azerbaijan, Belarus and Russia). At the same time, the survey empirically states that in the analyzed countries of Eastern Europe are moderately low, but stable performance of governments in the context of consistent policy decisions show Azerbaijan, Russia and Ukraine, moderately low performance, but with a view to deteriorating efficiency – and Belarus in the analyzed region) high and stable efficiency indicators – Georgia and Moldova; moderately high efficiency indicators, but with a view to increasing the efficiency of governments – Armenia. And this, in turn, allowed us to state that the stability of governments is not a direct determinant of the effectiveness of governments and vice versa. Although, in contrast, the “early / accelerated termination” of government cabinets inevitably plays or may theoretically play a negative role in achieving government goals, and thus affects or may affect the effectiveness of governments and government systems in general, and so on. At the same time, it is also interesting to note that the stability of political regimes is also not a prerequisite for the effectiveness of governments, and therefore of governance systems in general. For example, as the experience of some Eastern European countries, in particular Belarus, shows, the stability of authoritarian political regimes sometimes leads to inversely proportional consequences of reduced efficiency of governments and government systems. The study also found that weakening the formal leverage of governance by presidents significantly increases the effectiveness of governments, and in general the effectiveness of governments is commensurate with the effectiveness of government, at least in the context of: how quickly the economic policy of a government adapts to changes in the economy; the extent to which the civil service and bureaucracy depend on political interference; how effectively government decisions are implemented; the extent to which bureaucracy hinders business activity in the country; how

effective is the distribution of infrastructure of goods and services, how stable is the direction of the country's political course, etc.

The situation is clarified by other correlations, such as the relationship between the effectiveness of governments and governance systems and business development indicators, the achievement of managerial consensus, the effectiveness of government management, the economic efficiency of governments, and so on. In particular, it is noted that in relative terms, governments create the most prerogatives for business development in Eastern European countries such as Azerbaijan and Georgia, and the least – in Belarus. And in general in the region the situation is as follows: increasing the effectiveness of government influence (and executive structures in general) on business development occurs in Azerbaijan, falling efficiency of government influence occurs in Belarus, and the relative variability of government influence is characteristic of other countries in the region. At the same time, there is no stable correlation between the types of governments and the prospects for business development. An additional significant impact has been measured by the extent to which governments contribute to the possibility of reaching a management consensus, while conducting effective management based on the efficient use of resources. To interpret this, D. Kaufmann and A. Krai propose to refer to the so-called “transformation index” of the organization “Bertelsmann Stiftung”. It should be noted here that this index is interesting in two areas: holistic, as suggested by its authors, and partial, which is positioned as a marker of the effectiveness of governments. In general, the index is built on two key indicators – “status index” and “management index”. They are constructed on a step-by-step evaluation of various markers positioned in the categories of democracy development, market economy and public administration. Moreover, democracy involves the analysis of such markers as statehood and political participation, the rule of law and the stability of democratic institutions, as well as political / social integration. In turn, the market economy is based on such assessment structures as the level of socio-economic development, currency and price stability, market organization, private property, welfare, economic performance and sustainability. After all, governance is based on such categorical determinants as level of complexity, leadership capabilities, and resource sharing efficiency, consensus building, and international cooperation. Examination of all these criteria serves as a conclusion about how much a country has been transformed and how much its leadership is being transformed (including the government). Accordingly, the status index is based on indicators obtained for the evaluation of democracy and market economy, and the governance index is based on the evaluation of public management indicators. At the same time, the situation in Eastern Europe is as follows: the most developed in the context of the democratization and economic situation are Moldova, Ukraine and Georgia, and the least developed are Belarus and Azerbaijan. As for the governance index, the best positions among the analyzed countries are occupied by Georgia and Moldova, and the worst by Belarus. But in recent decades, in terms of historical, managerial and socio-political progress, the situation has generally improved in Azerbaijan and

Moldova, deteriorating – in Armenia, Russia and Ukraine, remained at about the same level – in Georgia and Belarus. And recently the best dynamics is shown by Moldova, and the biggest decline – Armenia. In general, the countries of Eastern Europe are positioned as being in the “middle of the transit cycle”. On the one hand, they are ahead of the “third world” countries, however, on the other hand, they are extremely far in transit logical terms to the countries of Central and Western Europe, which are members of the EU.

In turn, as for the indicators of the efficiency of the government process and management, including management consensus, management efficiency, and efficient use of resources, as of the time of the study, various Eastern European countries held intermediate government offices (executive structures), as these countries were much lower than the data for, for example, some other countries in transit or transition in the world (in different regions). However, even so, among the countries in the sample, the most effective government cabinets in the context of management have implemented semi-presidential systems of government, which are implemented in Moldova, Georgia and Ukraine. These are countries that, after a long history and frequent constitutional changes and the transition from one model of inter-institutional relations to another, etc., have increasingly begun to test parliamentary practices of democracy and gradually embarked on a parliamentary model of government, even regardless of their current forms and systems of government – mainly semi-presidential. At the same time, the situation in Georgia is the most stable in the context of government efficiency, in which significant and gradual reforms have begun since 2004, including those aimed at improving the efficiency of governance and public management. And this despite the fact that Georgia at different times represented a presidential-parliamentary and parliamentary-presidential model of a mixed (or semi-presidential) form of government, and since 2018 has set a course for gradual reform in the direction of parliamentarism. In contrast, the least effective governments in this administrative context today are typical of Belarus and Azerbaijan, which are formally positioned as semi-presidential, but in practice reflect presidential models of governance. Accordingly, the obvious conclusion in this case is that the closer the system is to the model of parliamentarism, the greater the efficiency of its cabinets and the system of government in general. On the other hand, this hypothetically implies an increase in the performance of party governments, which are characterized as the basis for parliamentary models of government. An example of this is permanently observed in Moldova and Georgia, as well as partly in Armenia and Ukraine in the period 2006-2010. However, conversely and purely theoretically, as noted above, the stability of governments is not necessarily a factor in the effectiveness of governments and governance systems. This is most noticeable in Azerbaijan and Belarus, which are least effective in Eastern Europe in terms of the transformation index. On the other hand, Armenia, Georgia and Moldova, which hold shorter government cabinets, are characterized by higher efficiency of the latter and government systems in general.

In general, analyzing different indicators of government efficiency, at least in Eastern Europe, we get a rather interesting result, which comes down to the fact that different systems of

government and systems of interinstitutional relations can be conducted by very different governments (and executive structures in general) in terms of their effectiveness and productivity. However, it is not possible to establish any integral correlation in a given case. In particular, as the practice of Eastern European countries shows, the most effective governments are in Georgia and, to a lesser extent, in Armenia, and this, in turn, countries that for most of its recent history have been presidential-parliamentary and / or parliamentary-presidential semi-presidential republics (Armenia today is a case of parliamentarism, and Georgia should be a case of parliamentarism since 2024, although partially close to it) in 2018). On the other hand, analogical or similar systems, which are currently represented in Belarus, Azerbaijan, Ukraine (except in 2006-2010, when the country implemented the parliamentary-presidential model of the republic), Moldova and Russia, are conducted by much less efficient government cabinets and government programs in terms of their practical implementation and productivity. It is also interesting that Moldova, which in 2002–2016 was assessed as a parliamentary republic, at that time held extremely intermediate governments in terms of its efficiency. Therefore, the conclusion in this context, at least in the case of Eastern Europe, is that constitutional systems of government do not or do not always affect the efficiency of governments (or the executive), although, in contrast, the effectiveness of governments certainly weakens the powers of heads of state hence the reduction of the level of presidentialization or personalization of political systems in general. On the other hand, there is a noticeable trend that has the greatest impact on the efficiency of government cabinets, at least in Eastern Europe, the process of implementing state reforms in various areas of government policy. This perspective is most effectively marked by Armenia and Georgia, as in these countries in the second half of the first decade of the 21st century a number of state reforms were initiated and launched. The data obtained in the study are equally correlated with various indicators of governance efficiency – a broader category in which the effectiveness of governments is only a partial variable. In addition, controversy does not arise only over the following points: 1) party government cabinets are more effective; 2) more effective are government cabinets, which are formed not in autocratic regimes, but in transitional / hybrid regimes (including electoral democracies). And this is despite the fact that the government cabinets of autocratic political regimes are longer in the analyzed region. And this directly proves the conclusion that the length of the government cabinet is only a preliminary factor in the effectiveness of governments, but not mandatory.

In this particular case of Eastern Europe, and largely theoretically, we proceed from the axiomatic assumption that ineffective governance results in political instability and low living standards¹¹. However, this conclusion is also only partially proven, because the stability of political regimes, as mentioned above, is not a self-sufficient and direct indicator of the effectiveness of governments, for example, in Belarus and Azerbaijan. On the other hand, the effectiveness of governments and systems of government is growing in the context of a combination of political stability and a democratic or hybrid political regime, in particular in Georgia, Moldova and, in

¹¹ Duncan R., Chand S., The economics of the “arc of instability”, *Asian-Pacific Economic Literature* 2002, vol 16, nr 1, s. 1-11.

part, Armenia and Ukraine. Added to this is the correlative variable related to the category of governmental stability and the level of institutionalization of the party systems of the evaluated countries, which, as shown by the political practice of Eastern European countries and the experience of countries such as Central Europe, is quite low. In addition, the indirect mechanism of hypothetical definition of government in Eastern Europe as inefficient (and therefore the functioning of “inefficient” governments) is also the use of them (or most of them) so-called “patronage” or “neopatrimonial” systems and structures that are built against the background of the fact that bribery, corruption and access to the priorities of only a small number of residents are common in the region.

In this regard, it is becoming clear that the efficiency of governments can be measured even through an indirect correlation with gross domestic product per capita¹².

Today, scientists define this marker as a standard, though not always stable, for assessing living standards. In addition, the so-called “human development indicators” are relevant indicators¹³. On this basis, the dependence is built, which is inversely proportional, because: the effectiveness of governments and governance affect the quality of human life; economic growth causes governments to improve or deteriorate. It should be understood that the effectiveness of governments and the governance process are determined by political and social contexts, as they involve assessing the internal structure of government (including the executive or governments in particular), the quality of political leaders and elites, and the ability of society to influence government (accountability)¹⁴. In this context, based on the analysis of gross domestic product data, it is clear that the highest growth rates of the latter are in countries such as Armenia and Georgia, and the lowest – in Moldova and Ukraine. This means that this indicator does not affect the efficiency of governments in the analyzed countries. In addition, there is no contrasting comparison of the given indicator with the stability of governments and the stability of regimes, as well as with their varieties. As for the indicator of “indicators of human development”, in particular the so-called Gini coefficient, which indicates the degree of stratification of society in a particular country or region on any of the studied characteristics with a view to identifying the level of inequality in the distribution of accumulated wealth¹⁵, its consideration government performance indicators, at least in Eastern Europe, also yield unsystematic

¹² Chong A., Calderon C., Institutional quality and income distribution, *“Economic Development and Cultural Change”* 2000, vol 48, nr 4, s. 761-786; Neumayer E., Is good governance rewarded? A cross-national analysis of debt forgiveness, *“World Development”* 2002. – Vol. 30. – No. 6. – P. 913-930; North D., *Institutions, Institutional Change and Economic Performance*, Wyd. Cambridge University Press 1990; Prasad B., Institutional economics and economic development – the theory of property rights, economic development, good governance and the environment, *“International Journal of Social Economics”* 2003, vol 30, nr 6, s. 741-762.

¹³ Barro R., Human Capital and Growth, *“The American Economic Review”* 2001, vol 19, nr 2, s. 12-17.

¹⁴ Fraenkel J., *What Indicators can be used to Monitor Governance Performance in the Pacific?*, Paper prepared at Regional Workshop on MDG Planning, Pro-Poor Policy & Budgeting Framework (2-6 October, 2006).

¹⁵ Firebaugh G., Empirics of World Income Inequality, *“American Journal of Sociology”* 1999, vol 104, nr 1, s. 1597-1630; Gini C., On the Measure of Concentration with Special Reference to Income and Statistics, *“Colorado College Publication: General Series”* 1936, nr 208, s. 73-79.

and variable results¹⁶. The fact is that the most uneven distribution of accumulated wealth is inherent in countries such as Russia, Georgia, Moldova, Armenia and Azerbaijan. A more even distribution of accumulated wealth is taking place in Belarus and Ukraine. At the same time, compared with the early 90's of the 20th century the situation has improved in countries such as Armenia, Azerbaijan and Moldova, worsened in Belarus and Georgia, and remained at about the same level in Russia and Ukraine. This proves that the uneven distribution of wealth by the Gini coefficient does not depend on how long / stable government offices are. Just as no correlation was observed in the case of the ratio of wealth distribution and stability / types of political regimes.

In this regard, an important theoretical and methodological remark is formed, which boils down to the fact that the possibility of forming a neutral dimension of quality / efficiency of government is almost impossible. The point is that we have concluded that the use of a direct and holistic index of government and governance performance is virtually impossible, as it is difficult to offer any specific consensus on what constitutes "good" or "effective" government. For example, it cannot be said with certainty that an increase in public financial spending has a negative impact on the efficiency of governments, as this correlation is prone to corruption. However, and vice versa: is not a direct indication of the effectiveness of governments and systems of government (executive power in general) and the fact that in a particular society is a process of redistribution of wealth. Therefore, researchers offer diverse and traditionally relative indicators of how well government offices are able to meet the challenges. This, in fact, reveals the productivity, responsibility, and structure of government activity, which are the closest and even measures of the category of the governments' efficiency.

Many questions also arise as to how positively efficiency correlates with stability, especially in the case of government activity. It is worth referring to the conclusion adopted to assess mainly Western consolidated democracies, in particular that the stability of the government is relevantly close to the category of a strong (and therefore effective) government. But if we represent such a conclusion in the case of, for example, the absence or ineffectiveness of institutionalized parties and party systems and the longevity of government cabinets, it is clear that other, less pragmatic, effective perspectives are being formed. For example, European government cabinets change much more often and more regularly than government cabinets in, say, Africa, but this does not make European countries less stable and less efficient than African countries. By analogy, some Central European countries have less stable governments than some Eastern European countries, but the former are much more efficient than the latter. Therefore, it is necessary to understand that stability is a relative correlative variable, which should largely be based on the level of democratic progress in a given case. In this regard, it is necessary to distinguish between a change of political regime and a change of government. We also consider the vector according to which the stabilization of political regimes leads to the stabilization of

¹⁶ Aidukaite J., Welfare Reforms in Central and Eastern Europe: A New Type of Welfare Regime?, *"Ekonomika"* 2010, vol 89, nr 4, s. 7-24; Simai M., Poverty and inequality in Eastern Europe and the CIS transition economies, *"DESA Working Paper"* 2006, nr 17.

government cabinets to be related. At the same time, the stabilization of governments in systems, in which democratic political regimes are stabilized (or at least hybrid political regimes or regimes that are transforming in the direction of liberal democracy) leads to an increase in the efficiency of governments and systems of government. Added to this phenomenon is an assessment of which government is considered more acceptable (or more effective) in a particular region. When it comes to modern countries of the European Union, it is obvious that some requirements are set. And when it comes to the post-Soviet countries of Eastern Europe, then the set of interpretations differs significantly. For example, patronage and nepotism are linked to the functioning of state systems in most Eastern European countries, but these phenomena are considered indicators of ineffective governance. Similar findings apply to the category of technocratic government cabinets, which in Western and Central Europe are assessed as ineffective compared to party governments, but in Eastern Europe they are positioned as quite justified (and sometimes more effective than party governments). This means that the countries of Eastern Europe in the process of their transformational development have been and still are at a certain institutional crossroads, where the choice of the right or effective direction depends on the willingness of their elites to give up their ambitions for further progress. Only such an alternative will more effectively assess the fact that democratic and sustainable development is a condition for the effectiveness of governments and governance.

As for the political elite, it should be noted that it is also practically impossible to grasp the essence of its influence on the growth of government performance indicators by formalized methods. At the insistence of transitologists, this is typical of most Eastern European countries. Accordingly, in a given case, the effectiveness of governments should be assessed on the basis of internal markers that describe procedural aspects of the political regime (i. e. the level of democracy and / or autocracy), party electoral system and various correlations in the executive-legislative relations through which the tendency is formed to fully operationalizing of probable attributes that can indirectly and partially demonstrate the effectiveness or inefficiency of governments. In addition, procedures for the formation and resignation of government cabinets based on the “vote of confidence” and “vote of no confidence” procedures (where such practices are used) are very important. But in this context, a dichotomous question arises: to assess the effectiveness of government as a process or as a result of the strength of those institutions that govern (for example, the government and the head of state in a dual executive system, etc.). An auxiliary option for assessing the influence of the political elite on the effectiveness of governments is represented by the category of competition in the selection and selection of government officials (for example, ministers). The given categories should be described by such concepts as “recruitment of political elite”¹⁷. The latter may be carried out on the basis of non-competitiveness, selection or selection, electorality or a variety of procedures.

¹⁷ Gurr T., Persistence and Change in Political Systems, 1800-1971, *American Political Science Review* 1974, vol 68, s. 1483.

At the same time, it is important that in the analyzed countries of Eastern Europe, prime ministers (given the constitutional requirements) are often positioned as actors for whom there is agreement between political elites, as well as prior electoral support through the formation of a “carrier” of prime ministers, i.e. presidential and / or parliamentary elections, depending on the type of political system. Therefore, empirically, based on a comparative analysis, it has been observed that electoral government recruitment systems are conducted in Eastern European countries by shorter but more efficient governments. In addition, it is obvious that the latter are mainly used in transitional / hybrid political regimes.

To a large extent, this issue encounters internal dimensions of the effectiveness of governments and systems of government / executive power in general. Given the work of various scholars¹⁸, it can be argued that there is inevitably a strong relationship between the length of government cabinets, their efficiency, and the formation of cabinet staff (including the process of selecting talented ministers). In addition, scholars emphasize¹⁹ that the nature of the performance of the powers of the government cabinet depends as much as possible on the people who ensure this process. In this context, the effectiveness of governments is positioned as an effective conclusion of the competent or incompetent activities of those who are considered members of the executive branch (in the case of government cabinets, we must first talk about ministers). In this regard, it is necessary to consider two determinants of the competence of government officials – quantitative (in terms of ministerial stability) and qualitative (in particular in the format of competence as a consequence of the activities of talented ministers). At the same time, it is interesting that competence means the quality of the use of talent and, in general, the talent of people working in the government cabinet (i.e., first of all, ministers). At the same time, it is worth emphasizing that the choice of ministers who will work in government cabinets is intuitive. After all, this process takes place largely depending on which cabinet is formed, in particular party or non-party / technocratic. Thus, the initial and obvious conclusion is that if more talented ministers are involved in the government cabinet, then the government should be expected to be more efficient and stable. However, unfortunately, the presence of talent cannot be considered a very obvious factor in the fact that the government cabinet will be effective or stable. For example, consider the formation of governments in Georgia in the period from 2004 to 2012, when it came to cabinets, which were formed by experts who paid special attention to the selection of talent.

But these government cabinets could not be assessed as stable enough, although they were positioned as quite effective (at least in the context of a relative comparative comparison of Eastern European countries). The other situation, by contrast, has been ongoing in Azerbaijan

¹⁸ Dewan T., Dowding K., The Corrective Effect of Ministerial Resignations, *“American Journal of Political Science”* 2005, vol 49, nr 1, s. 46-56; Dewan T., Myatt D., The Declining Talent Pool of Government, *“American Journal of Political Science”* 2010, vol 54, nr 2, s. 267-286.

¹⁹ Besley T., *Principled Agents? The Political Economy of Good Government*, Wyd. Oxford University Press 2007; Galasso V., Nannicini T., Competing on Good Politicians, *“American Political Science Review”* 2011, vol 106, nr 1, s. 79-99.

since 1995, when it comes to governments that are formed as non-partisan, but are assessed as longer, but less effective than in Georgia.

In addition, it is important to emphasize that the lack of talent in the organizational structure is one of the basic factors and barriers to the productivity and efficiency of organizations. In this regard, T. Duvan and D. Miatt once proved that the availability of ministerial talents can limit the ability and even the desire of government cabinets to implement effective government decisions and create incentives for individual ministers. In addition, scholars emphasize that the effectiveness of the government cabinet depends on talent in general in the executive branch. Therefore, the hypothetical position is that a more effective government is longer. However, as mentioned above, in the case of Eastern European countries, this assumption has not been fully substantiated, as more stable governments in the region are less effective and vice versa. At the same time, more effective government cabinets in the region often rely on the potential of the ministers from whom they are formed, which, for example, is typical of Georgia, Armenia and, in part, Moldova. In addition, for all Eastern European countries, it is concluded that those ministers who are considered necessary are involved in the governments, or those ministers who are considered “unnecessary” are excluded. This is even more important due to the understanding of the peculiarities of the transit stage of the development of political regimes in the region. First, it is a matter of “conserving” of the political regimes, and therefore the rates of government cabinets in undemocratic systems, which increases the duration of governments without proportionally increasing their efficiency. Secondly, the partial transformation of political regimes must be taken into account, and this is why the ideas of parliamentary democracy are being tested, which is sometimes reflected in the formation of party or technocratic (mostly expert) governments as a result of which the duration of government cabinets is reduced and their efficiency is gradually increased. This proves that the driver of the ratio of stability and efficiency of government cabinets in a transitional country is the position and quality of the political class and elite in the context of democratization. Thus, in this context, it is not so much about finding talent as about creating conditions where talent is willing to serve not only governments but the political system as a whole.

As a result, complex and multifaceted analysis allows us to draw several conclusions of a theoretical, methodological and practical-empirical nature regarding the countries of Eastern Europe, their governments and systems of government: party governments are shorter than non-party governments; party governments are more effective than non-party governments; systems of government within the jurisdiction of party governments are more effective than systems of government within non-party governments; democratization contributes to the growth of government performance and governance systems. Moreover, non-partisan government cabinets are positioned as more effective only in the context of democratization changes, and therefore are considered quite competitive compared to party governments. In this sense, the parameters of the effectiveness of government activity also depend on non-governmental

and political attributes – primarily on the degree of political representation at the level of party and electoral systems. This means that the more parties there are in a country, the better the conditions for consolidating its society, because the representation of political interests is an important feature of democratic governance. Thus, in general, democratic government is more effective in its inherent political parameters than authoritarian. But democratization processes due to the development of political pluralism are not always the reason for the growth of government stability. Therefore, the stability and efficiency of governments are not always directly proportional or mutually conditioned.

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