Conflict of Interest: Legal and Ethical Aspects in Local Self-Government in Slovakia

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Received: 7. 9. 2018
Accepted: 8. 1. 2019

ABSTRACT

Serving the public interest should be perceived as a fundamental goal of public administration. Regarding the complexity of social reality, various motives could influence public officials’ behaviour and decision-making. Conflict of interest is mostly discussed as an issue, which relates to activities of elected officials. In this sense, the paper concentrates on rules and standards connected with the conflict of interest, which have to be observed by the public officials. The paper tries to be an interdisciplinary insight and emphasizes the legal and ethical approaches to the examined issue. In this sense, the paper tries to examine the managing of risks and impacts of the examined issue at the local level of self-government in the Slovak Republic. The hypothesis is based on the precondition that ethical norms can define aspects of the conflict of interest more precisely than the relevant legal acts. In the paper, the methods of content analysis, abstraction, comparison and synthesis are involved. The benefit of paper is based on the finding that ethical norms could define important aspects of the conflict of interest more precisely than legal acts. The author presumes that complementarity of legal systems and ethical infrastructure could minimize contradictory and negative impacts of the conflict of interest. Based on this fact, local self-government units should adopt codes of ethics if they want to improve the managing of risks and impacts of the conflict of interest.

Keywords: public interest, conflict of interest, public officials, local self-government, Slovakia

JEL: D73, K23, J80
1 Introduction

Public interest is important quality of public administration execution. The necessity of serving the public interest is underlined by the ongoing process in contemporary society, for example dominance of economic dimension of globalization and integration processes, reduction of differences between private and public sector, as well as increasing sophistication of providing public goods and services. In this sense, public officials face many powerful motives, which might potentially threaten serving the public interest. It must be said that individuals are irreplaceable part of public administration. In this sense, the capability of public administration to manage risks and impacts of conflict of interest might positively influence serving the public interest. Based on abovementioned, the ambition of the paper is to examine formulations connected with managing of risks and impacts of conflict of interest. In this sense, the paper is devoted to rules and standards included in relevant legal norms and ethical norms. Put differently, paper concentrates its attention on normative aspect of conflict of interest. We have to admit that the complementarity of mentioned normative systems are typical for contemporary democracies. We decided to concentrate our attention self-government units with the city status, which are the most important part of local level of self-government in the conditions of Slovak Republic. Conflict of interest is mostly discussed as an issue, which relates to activities of elected officials. However, presented contribution concerns the quality of rules and standards, which regulates public officials employed by selected group of local self-government units. The selection of local self-government units and the position of public officials is explained in chapter devoted to methodology. The paper tries to be an interdisciplinary insight and emphasizes legal and ethical approach to examined issue. In this sense, the paper tries to examine managing of risks and impacts of examined issue in the conditions of local level of self-government in the Slovak Republic.

The paper is organised as follows. The introductory part deals with the explanation of used terminology, especially public interest and conflict of interest. Besides, introductory part of the paper tries to emphasize selected aspects of conflict of interest, which are definition of examined issue, delimitation of entities, which cannot gain improper advantage and duties of public officials. Besides, formulation mentioned in important ethical documents adopted on international level are important element of introductory part. In this sense, mentioned formulations should be perceived as a reflection of contemporary state of knowledge. The core part of the paper concentrates its attention on rules and standards included in legal acts and ethical norms, which are relevant for cities in the Slovak Republic. Another part of the text is devoted to discussion connected with findings presented in previous chapter. Moreover, this part of the text tries to suggest some improvements, which we hope might improve managing of risks and impacts of examined issue in the conditions of Slovakian cities.
1.1 Contemporary public administration and the importance of public interest

Public administration should be characterized as a set of activities, which are performed by public administration organizations. Besides, public administration is an irreplaceable part of contemporary democratic states, which exist in dynamically developing reality of contemporary society. As contemporary world changes, we are being forced to readjust public administration’s capabilities to satisfy citizens’ needs. In this sense, public administration is larger, more sophisticated, and more complex than in the past. Public administration tends to be large and provides a number of different roles and functions (Lawton, Rayner and Lasthuizen, 2013, p. 4). Public administration has many more responsibilities to citizens, and it still has to cope with increasing demands of the people (Vigoda-Gadot, 2003, p. 2). Moreover, public administration shall be guided by balanced framework of ethical values, such as democratic, professional, ethical and people values (Androniceanu, 2009, p. 25). Anyway, the primary role of public administration is to manage public issues in accordance to public interest.

However, what should be understood under this quality, which should determine activities of public administration? The perception of public interest is influenced by many factors, such as political ideologies, perception of values, public wealth and cultural or historical predispositions. Public interest should be defined by procedural approach, which is typical for practice and on the other hand, there should be used analytical approach, which is typical for the theory (Potůček and Rudolfová, 2016, p. 4). Public interest is crucial for democracy and provides the basis for much public service delivery in the context of justice, fairness, equity, empathy, compassion, altruism and benevolence (Lawton, Rayner and Lasthuizen, 2013, p. 39). Public interest should be reflected by public administration as a duty to ensure transparency, openness, impartiality and other qualities, through which should contemporary democratic states guarantee integrity and responsibility of public administration (Ondrová, 2013, p. 55). Moreover, public interest should be perceived as interest of group of citizens, sum of individual interests, common interests, supraindividual interests and the expression of plurality of collectivized interests, but at the same time, public interest represents fundamental basis and attribute of public policy efficiency and objectivity of public administration (Adamcová, 2016, p. 29). Another definition of public interest was presented by Douglas F. Morgan and Henry D. Kass, who argued that public interest could be defined in three ways. Public interest should be explained as a duty to serve the nation, recognized collective interest of the community and obligation of administrators to future generations (Morgan and Kass, 2015, p. 184).

Simultaneously, we might agree with Richard C. Box and his two basic models of public interest. While substantive model is closely connected with decision of individual that his or her behaviour is good, aggregate model represents the will of majority at a specific point of a time (Box, 2015, p. 59). We have to admit, that first approach needs ethically strong individual. On the other
hand, second approach is mostly represented by regular elections. It is difficult to say, which approach is better, but real practice of public administration requires combination of both approaches.

Based on abovementioned, public interest is important and irreplaceable quality of contemporary democratic states. Public administration cannot ignore the importance of public interest, even many documents do not define this important quality of contemporary social reality. States, their governments and public administration organizations have to implement policies in accordance to generally beneficial public requirements.

Public interest is guaranteed by organizations, but it could be potentially bended by public officials. Based on this fact, the quality of personal substrate is important predisposition of public administration functioning. Put differently, public officials represent important part of serving the public interest. In this sense, personal dimension of serving the public interest should be perceived as a significant factor. There always will be an administrator, public official or supervisor, who will make decisions by applying of administrative discretion. This human element could not be eliminated from the public administration (Králík and Kútik, 2013; Jreisat, 2011). Simultaneously we might say that public administration organizations should directly manage behaviour of public officials. Basically, the behaviour of public administration employees is mostly regulated by various types of standards and rules. The paper concentrates its attention on formulations connected with selected aspect of conflict of interest, which are mentioned in selected group of legal acts and codes of ethics.

Legal acts regulate whole process of public administration practice, decision-making process, as well as organizational issues. The legislative regulates interactions of the same kind and unlimited quantity. In this sense, legislative represents irreplaceable part of public administration. On the other hand, there are some terms which could be correctly explained by norms of ethical character, such as ethical integrity, responsibility, accountability, corruption, mobbing or transparency and openness. Mentioned attributes are obviously described in the codes of ethics for public officials. We might agree with the experts on public administration ethics that code of ethics is most frequently used tool of ethical management (Dyck and Neubert, 2010; Lewis, 2015; Menzel, 2017). Normative aspect of public administration ethics is typical for both democratic countries and countries, which tries to become more democratic (Menzel, 2015). In this sense the promotion of ethical norms could be very useful, especially in the Eastern European countries and Slovak Republic as well. Codes of ethics can be perceived as a reflexion of adequate requirements, which should regulate behaviour of public administration employees in their relations to various types of entities (Kernaghan and Langford, 2014). Moreover, the existence of appropriate and consistent ethical standards seems important because of prevention of ethical chaos, reduction of professional erosion, increasing motivation of employees and increasing of public confidence and legitimacy (Haque, 2011). Based on abovementioned, we
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might argue that ethical norms and legal norms contain generally accepted rules and standards. Thanks to these norms, employees know how to behave in specific situations. Both, codes of ethics and relevant legal norms are suitable tools, which have to be used by cities to protect public interest.

1.2 Conflict of interest – an unacceptable situation?

Regarding the complexity of social interactions various types of interests and motives could influence public officials, their behaviour and decision-making. We might argue, that employees should not be influenced by any type of contradictory interest, which might threaten serving the public interest. However, public officials face powerful conflicting motives that make it difficult to maintain perfect professional integrity (Moore, Tanlu and Bazerman 2010, p. 47). In that context, situation when public interest is threatened by other types of interest is mostly called as conflict of interest.

Conflict of interest is difficult problem for public administration employees. According to T. L. Cooper (2012), especially because public officials have special access to government commons that most citizens do not, as well as responsibility of public officials to supervise, monitor and coordinate conduct of others. Public officials of local self-government units have such competencies. Moreover, conflict of interest could be described as contradiction between interest of organization and personal interest of professional (Hutton and Massey, 2006). Besides that, conflict of interest should be defined as situation, when something should influence or disturb judgement of public official (Stark, 2013, p. 173). Conflict of interest is a situation, which can have negative effect on actual decision only when leeway is granted to decision-makers (Peters, 2012). Selected definitions outline fundamental basis of conflict of interest. Based on abovementioned, we might argue that integral part of examined situation is the possibility of negative impact on organization or public interest.

Finally, conflict of interest can be characterized by another important aspect, which is very important in the context of whole paper. Conflict of interest evokes assumption that law is not self-sufficient and cannot rely solely on itself (Guzzetta, 2008, p. 21). Based on this fact, examined issue should not be considered only as a legal concept, but it has to be enriched by approaches mentioned in ethical norms.

The importance of examined issue is confirmed by formulations included in documents of ethical character, which were adopted by international organizations, European Union or specialized ethical bodies of national character. Conflict of interest is defined very precisely in some documents. We might say, that some formulations should be very easily implemented in the conditions of member states, as well as in the conditions of Slovak Republic. We have to admit, that following formulations should be perceived as examples of good practice, which should help to improve practice in the condition of Slovakian local self-government. On the other hand, following formulations should be perceived as a reflection of contemporary state of knowledge too. Besides,
we have to mention that ambition of following part of the paper is not to define conflict of interest exhaustively nor provide an overview of aspects of examined issues included in documents adopted at international level.

Conflict of interest is highly dangerous situation, which can threaten the reputation of an organization (UN Ethics Office, 2012). Standards of Conduct for International Civil Service contain very inspirational and appropriate definition of examined situation. Conflict of interest may occur when individual’s personal interest interfere with performance of his or her official duties or call into question ethical qualities, such as integrity, independence and impartiality (International Civil Service Commission, 2013, p. 6). Another definition could be found in Code of Conduct for OECD Officials, which describes examined situation as a conflict between the public duties and the private interests of an official, in which the official has private-capacity interests which could improperly influence the performance of his official duties and responsibilities (OECD, 2017, p. 9). Recommendation No. R (2000) 10 of the Committee of Ministers to Member states on codes of conduct for public officials describes conflict of interest as situation when public official has a private interest which is such as to influence, or appear to influence, the impartial and objective performance of his or her official duties (Council of Europe, 2000, p. 4). The European Code of Good Administration Behaviour contain formulation that civil servants should not place themselves under any financial or other obligation that might influence them in the performance of their function (European Ombudsman, 2015, p. 8).

We might conclude that conflict of interest is often associated with negative impacts on public interest. Examined situation has potential to influence performance of working duties and responsibilities of public administration employees. However, there is no comprehensive and universally accepted definition of conflict of interest. Put differently, it is hard to find definition, which can cover all aspects of conflict of interest. Anyway, it is important to define conflict of interest exactly. We have to admit that the effort to eliminate contradictory interests is not something new. The principle when nobody can judge his own case, case of his family or case of his close relatives was regular and basic principle, which were known in ancient times (Sičáková-Beblavá, 2008, p. 17). This means, that tendency to gain improper advantage at the expense of the public interest should be perceived as an inherent part of human being.

As it was mentioned before, contemporary society should be characterized by growing complexity of social interactions between various types of entities. Social relations are more sophisticated than in the past. In this sense, the goals of public administration are endangered by various types of interests in almost every state of contemporary world (Schindler, 2012, p. 159). Conflict of interest arise among the various types of actors, for example citizens, local governments, private shareholders, service providers (Calabro and Torchia, 2011). According to this fact, impacts of various types of entities needs to be eliminated.

Delimitation of such entities is sometimes connected with private interest in documents adopted on international level. Private interest includes any ad-
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vantage to public official, his or her family, close relatives, friends and persons or organizations with whom he or she has or has had business or political relations (Council of Europe, 2000, p. 4). Conflicts of interest can according to Standards of Conduct for International Civil Service arise from an international civil servant’s personal or familial dealings with third parties, individuals, beneficiaries, or other institutions (International Civil Service Commission, 2013). Conflict of interest may involve otherwise legitimate private-capacity activities, personal affiliations and associations, family interest, and post-public office employment, if those interest could influence improperly employee’s duties (OECD, 2003). We might argue that mentioned definitions are different, but they are relatively similar at the same time. Some definitions contain more entities than other. Anyway, no matter how many entities are mentioned, their improper interests could not be considered as a part of decision-making process.

Regarding the ideal of transparency, we might stress need to inform the public about the processes inside the public administration. The most important reason is precondition, that citizens should be perceived as active part of contemporary democratic society. In this sense, citizens should be informed about the mechanisms and procedures related to conflict of interests. Sometimes, citizens can objectively evaluate aspects of conflict of interest more promptly and more clearly than employees. Italian expert E. Di Carlo (2013) concluded that conflict of interest recognition is often left to the discretion of the individual, consequently employees deal with this phenomenon in different ways. This important idea refers to another significant aspect of examined issue, which could be called as duties of public officials.

In that context, public officials should be able to recognize what is acceptable and what is unacceptable. Fundamental priority is to prevent conflicts of interest, handle them before they arise and subsequently resolve any conflict arising in practice (GRECO, 2017, p. 5). The usual method of dealing with a conflict of interest is to disclose conflict, to remove the source of conflict or to avoid the conflict (Coleman, 2008). Romanian definition of conflict of interest highlights the importance of prevention in detecting a potential or an actual conflict of interest, but when conflict of interest seems to occur, relevant authority is authorized to take adequate measures (Farca, 2018). On the other hand, conflict of interest needs more complex solutions. Anyway, mentioned rules should be perceived as unconditional basis.

Specific duties linked to the conflict of interest can be found in relevant ethical documents adopted by international organizations. We might say that such duties can be divided in to five groups, which are relatively consistent and represent identical content of public officials’ duties. The difference between formulations are minimal and that is the main reason why we choose this presentation of contemporary trends. Mentioned groups of duties are presented in table 1. The quantity of each group is demonstrated by the list of relevant documents.
Table 1: Duties of a public officials mentioned in documents adopted on international level

<table>
<thead>
<tr>
<th>Duty</th>
<th>Document</th>
</tr>
</thead>
<tbody>
<tr>
<td>duty to be alert to any conflict of interest</td>
<td>Recommendation No. R (2000) 10 of the Committee of Ministers to Member states on codes of conduct for public officials, Putting ethics to work, Guide to the obligations of officials and other servants of the European Parliament, The European code of good administration behaviour</td>
</tr>
<tr>
<td>duty to avoid any conflict of interest</td>
<td>Recommendation No. R (2000) 10 of the Committee of Ministers to Member states on codes of conduct for public officials, Putting ethics to work, Recommendation of the council on guidelines for managing conflict of interest in the public service, Code of Conduct for OECD Officials, Guidelines on Gifts and Hospitality, Public service principles for the EU civil service</td>
</tr>
<tr>
<td>duty to disclose any conflict of interest, duty to inform</td>
<td>Recommendation No. R (2000) 10 of the Committee of Ministers to Member states on codes of conduct for public officials, Standards of Conduct for the International Civil Service, Putting ethics to work, Code of Conduct for OECD Officials, Guide to the obligations of officials and other servants of the European Parliament</td>
</tr>
<tr>
<td>duty to solve any conflict of interest</td>
<td>Recommendation No. R (2000) 10 of the Committee of Ministers to Member states on codes of conduct for public officials, Standards of Conduct for the International Civil Service, Putting ethics to work, Recommendation of the council on guidelines for managing conflict of interest in the public service</td>
</tr>
<tr>
<td>duty to comply with final decision</td>
<td>Recommendation No. R (2000) 10 of the Committee of Ministers to Member states on codes of conduct for public officials, Putting ethics to work</td>
</tr>
<tr>
<td>post-employment duties</td>
<td>Public service principles for the EU civil service, Guide to the obligations of officials and other servants of the European Parliament, The European code of good administration behaviour, Code of Conduct for OECD Officials</td>
</tr>
</tbody>
</table>

Source: own processing based on mentioned documents
Based on the table, we might argue that fundamental duty of public official is duty to avoid the conflict of interest. This duty represents active approach to managing of examined situation. Public officials should actively prevent arise of situation, which can be characterized as conflict of interest. As it was mentioned before, there is potential and real conflict of interest. Public officials have to inform his or her organization about aspects, which are relevant for preventing conflict of interest. Anyway, the complexity of social relations generates situations, which cannot be predicted. In this sense, sooner or later conflict of interest may arise in each organization. In this sense, another duty of public officials is duty to solve real conflict of interest in favour of public interest or organization. We might argue that public officials have to avoid arise of conflict of interest, but if such situation occur they should be able to solve it. What’s more, mentioned fundamental duties should be supplemented by following duties. Public officials have to comply with final decision, which is made in the context of examined situation. What’s more, conflict of interest should not arise in the context of future employment of public officials. This duty is relatively controversial, but it has potential to protect public interest and interests of public administration. Put differently, public official should not act in a way, which could provide improper advantage for potential employer in the future.

Finally, we might conclude that conflict of interest is one of the most significant issue of contemporary public administration, which is sensitively discussed both by theory and practice. In this connection, therefore, we might conclude that conflict of interest is unacceptable situation in the sphere of public administration. We might define conflict of interest as situation, when something or someone influence public officials and performance of working duties and responsibilities, which should be realized in accordance to public interest. Anyway, solving the conflict of interest must be perceived as irreplaceable part of public administration in the 21st century (Peters, 2012, p. 37). We might conclude that conflict of interest should be detected in various types of everyday activities of public administration. Activities connected with preventing and solving of conflict of interest have to be perceived as important part of serving the public interest in contemporary states. The right question is not if conflict of interest will arise. More important question is how to eliminate and minimize risks and impacts of this situation.

The objective of the paper is to analyse the formulations connected with managing risks and impacts of conflict of interest, which are included in relevant legal acts and ethical norms. The hypothesis is based on the precondition that ethical norms can define aspects of conflict of interest more precisely than relevant legal acts. In this sense, paper is focused on legal normative system and ethical normative system, which could be perceived as dominant normative systems in the sphere of public administration. Besides, paper concentrates its attention on normative aspect of examined issue, which could be perceived as a fundamental part of whole set of activities related to managing risks and impacts of conflict of interest in contemporary public administration. Moreover, paper concentrates its attention on employees of Slovak cities.
2 Methods

In the paper, the methods of content analysis, abstraction, comparison and synthesis were involved. The method of content analysis was used to analyse selected group of ethical norms and relevant legal norms. Content analysis was selected because of its potential to convert qualitative data, mentioned in ethical norms and legal acts, into quantitative data. Subsequently, the abstraction was used in the context of filtering those aspects of selected norms, which are relevant for accomplishing main goal of the scientific paper. In that context, the attention was put on those parts of ethical and legal norms, which are devoted to conflict of interest. The comparison method was used to compare important aspects of examined issue mentioned both in legal and ethical norms. Moreover, the comparison method was used to recognise differences between contemporary trends defined by theory and practice and real conditions in the Slovakian cities. The method of synthesis was used to draw conclusions resulting from the analysis. Obtained data were reflected in the context of contemporary states of knowledge and actual trends mentioned in important documents of ethical character adopted at the level of international organizations. The hypothesis was verified based on descriptive statistics. The obtained data were processed using Microsoft Office Excel and were presented using tables. The paper reflects contemporary conditions in the Slovak Republic up to 30 June 2018. Regarding the objective of the paper a very important step how to achieve main goal is to analyse selected group code of ethics for employees and relevant legal acts. In this sense, the research is devoted to formulation connected with conflict of interest, which are included in ethical norms adopted by selected group of local self-government units and relevant legal acts.

Firstly, we have to clarify the arguments of realized intentional selection of local self-government units. Slovakian public administration consists of three subsystems, which are state administration, self-government and public institutions. Regarding the contemporary tendencies local self-government units play important role in serving the public interest. The contemporary discussions are focusing on more comprehensive understanding of self-government based on concept of new governance, examination of the cooperation between the various levels of self-government, horizontal cooperation of local government units or partnership of actors from different sectors (Meluš, 2017, p. 108). Moreover, according to the theory of power distribution, local self-government limits central power in its vertical sense, what could be perceived additionally to horizontal distribution of power realized by the system of checks and balances (Paluš, 2017). We might argue, that local self-government units are important part of public administration in Europe. Based on this fact, the presented text is focused on local self-government in the condition of Slovak Republic. Regarding the number of citizens and state area local self-government can be characterized as highly fragmented. According to the official statistics, local self-government consists of 2933 units (Government Office of the Slovak Republic, 2018). Some experts say that the number of local self-government units is too high, some theoreticians say that problem is
the number of competencies. Currently, all 2933 units have the same competencies. According to official statistics, there are 1,145 units with population under 500 hundred citizens. Small local self-government units have serious problems with their functioning. Anyway, this challenge is not the centre of our attention. But, it will help us to choose relevant units, which have adequate resources to manage risks and impacts of examined issue. It does not mean that other self-government units do not have enough resources, but cities are mostly perceived as initiator of innovative solutions in the conditions of Slovak Republic. In this sense, the paper concentrates its attention only on 140 local self-government units with the city status. Based on legislative, the status of city is given to local self-government unit, which should be characterized as administrative, economic or cultural centre, provides public services for other local self-government units, has urbanized territory, secures transport connection with other units, and population of such unit is over 5,000 citizens (Act No. 369/1990 Coll. on municipal establishment, as amended). In this sense, we might argue that city is local self-government unit, which should be characterized as centre of wider territory. Moreover, we should emphasize personal, financial and organizational ability of cities to manage ethical aspect of everyday activities. The acceptability of selection is confirmed also with scope of performed activities, such as variety of procedures, application of legislative, decision-making process and implementation of public policies.

The research sample was selected by an intentional selection. The research sample consist of codes of ethics adopted by cities. Subsequently, very important step was to identify cities with adopted codes of ethics. Codes of ethics were adopted in 46 (32.85%) cities out of 140 cities in the Slovak Republic. The majority of analysed codes, 27 codes (58.69%) were adopted in the last seven years. Moreover, research sample contain relevant legal acts, which regulates both functioning of cities and behaviour of public officials employed by selected local self-government units. In this sense, actions of public officials are regulated by two dominant legal norms, which are Act no. 552/2003 Coll. on execution of work of public interest, as amended and Act no. 55/2017 Coll. on the civil service, as amended. Cities execute original and transferred competencies, which are generally included in mentioned acts.

Moreover, formulations included in legal acts and codes of ethics regulate behaviour of individuals. Based on abovementioned, personal aspect of public administration is very important factor of serving the public interest.
attention is put on public officials employed by Slovakian cities. Based on legislative, public official in the condition of Slovakian cities should be defined as individual, which is in employment relationship with city. (Act no. 552/2003 Coll. on execution of work of public interest, as amended). Put differently, public official should be characterized as employee, which performs working duties and responsibilities connected with execution of public administration in Slovakian cities. Besides, such employee is employed by city as a self-government unit in the conditions of Slovak Republic. In that context, the term public official is used in mentioned meaning.

3 Results

Based on abovementioned, conflict of interest is an important issue in contemporary discussions on the public administration and serving the public interest. The results of theoretical discussions are transformed to real existing norms, which regulates the behaviour of public officials. In this sense, following part of the text will concentrate its attention on formulations connected with conflict of interest mentioned in legal acts and ethical norms. The basic structure of this part of the text reflect important aspects of examined issue, which are definition of examined issue, delimitation of entities, which cannot gain improper advantage and duties of public officials.

3.1 Conflict of interest – requirements in legal norms

Generally speaking, functions and activities of public administration are primarily determined by the legislative. But, specific legal norm devoted to the conflict of interest of public official does not exist in the conditions of Slovakian local self-government. On the other hand, conflict of interest is partly mentioned in following legal acts.

Regarding the importance of local self-government units, the requirements on behaviour, acting and decision-making of their public officials are included in the Act no. 552/2003 Coll. on execution of work of public interest, as amended. This legal norm should be because of its personal force and regulation of local self-government ´s public officials perceived as the most relevant. Article 2 defines conflict of interest as a situation, which could be characterized by prioritization of personal interest by an employee.

Moreover, the conflict of interest is also mentioned in the Act no. 55/2017 Coll. on the civil service, as amended. Based on obligations and restrictions mentioned in Article 111, public official should refrain from actions, which could lead to conflict between the interest of an office and public official ´s personal interests, mainly duty not to misuse information obtained in connection with the performance of working responsibilities for its own benefit or for the benefit of another person. Besides that, another formulation specifies duty to report real or potential conflict of interest without any delay. Conflict of interest is an unacceptable situation, which is also mentioned in the principles of political neutrality and impartiality, which are stated in introductory part of this legal act. (Act no. 55/2017 Coll. on the civil service, as amended)
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We might argue, that mentioned legal acts contain only general formulations. Conflict of interest is described as unacceptable situation. What’s more, duties connected with expected behaviour are general too. Based on above-mentioned, we might argue that formulations connected with managing risks and impacts of conflict of interest are quite limited. Issues connected with this state will be discussed in following chapter.

3.1 Conflict of interest – requirements in ethical norms

At the first place, we might argue that it is the primary goal of ethical norms to put special attention on the ethical dimension of public administration. However, the space dedicated to conflict of interest is relatively different in analysed codes. Based on careful content analysis of selected group of codes, we might argue that examined situation is not included in only 8 (17,39%) codes out of 46 ethical norms. The remaining part of analysed codes contained at least minimal or general requirements how to behave when conflict of interests occurs. This means, that 83% of cities with adopted ethical norm try to regulate conflict of interest using the restrictions in codes of ethics. Otherwise, 38 (27,14%) cities out of 140 cities consider legal regulations linked to conflict of interest as insufficient. According to abovementioned opinions of experts it is important to pay adequate attention on various aspects of examined issue. General statements mentioned in legislative should not be perceived as a primary goal, but only as commitment. It is necessary to formulate duties and responsibilities related to conflict of interest more precisely. This inclination is often represented by separate part of ethical norm, which is mostly called as conflict of interest. Such tendency was identified in 31 (67,39%) codes out of 46 ethical norms.

Codes of ethics contain different explanations of conflict of interest. Generally speaking, we might argue that selected group of codes characterize conflict of interest as an unacceptable situation, which is incompatible with interest of organization and public interest as well. But, some codes contain only general statement that conflict should not arise. This interpretation is almost similar to legal definitions mentioned earlier in this part of the text. Such specification of examined issue could be found in codes without separate part devoted to conflict of interest. Based on abovementioned, we might argue that ability of these codes is quite limited when it comes to preventing and solving real practical issues.

Another important aspect of conflict of interest is delimitation of entities, which cannot gain any inappropriate advantage. The definition of these entities is relatively different in the selected ethical norms adopted by Slovakian cities. According to the text of analysed codes, we could divide mentioned entities in to three groups (Table 2).
Table 2: Type of entities, which could not gain improper advantage

<table>
<thead>
<tr>
<th>Type of entity</th>
<th>Number of codes = 46</th>
</tr>
</thead>
<tbody>
<tr>
<td>public official</td>
<td>31 67,39%</td>
</tr>
<tr>
<td>family and close relatives</td>
<td>28 60,87%</td>
</tr>
<tr>
<td>any other person or organization</td>
<td>25 54,35%</td>
</tr>
</tbody>
</table>

Source: own processing

The primary type of mentioned entities is public official employed by the city. In this sense, public officials could not gain inappropriate advantage of their position. This type of formulation could be found in 31 (67,39%) codes. Another entity should be named as family and close relatives. This type of entity is included in 28 (60,87%) codes out of all codes of ethics adopted by Slovakian cities. Besides that, some codes contain direct reference to the Civil Code. Close relatives are defined as relative in direct line, sibling, spouse or other person in family relationship, or any other person close to each other in case, if the harm suffered by one of them is reasonably considered as own harm (Art. 116, Act no. 40/1964 Coll. Civil Code). Moreover, duty to ensure that any other person or organisation will not gain any inappropriate advantage is mentioned in 25 (54,35%) codes of ethics. Simultaneously, 17 codes (36,95%) concretize this entity more precisely, namely as entities with past or current business, personal or political relationship to the public official. Based on abovementioned, specification of entities, which could not gain inappropriate advantage is quite various. Presented delimitation should be perceived as very important factor of whole management of risks and impacts of conflict of interest.

Moreover, selected group of codes contains another important aspect of examined issue, which could be called as duties of public official. Expected behaviour of public official was mentioned partially in previous part of the text. Based on our analysis, there should be identified five basic duties of public official (Table 3).

Table 3: Duties of public official

<table>
<thead>
<tr>
<th>Duty of public official</th>
<th>Number of codes = 46</th>
</tr>
</thead>
<tbody>
<tr>
<td>participation in suspicious activities</td>
<td>31 67,39%</td>
</tr>
<tr>
<td>avoid the conflict</td>
<td>28 60,87%</td>
</tr>
<tr>
<td>disclose of conflict</td>
<td>28 60,87%</td>
</tr>
<tr>
<td>act in accordance with public interest</td>
<td>26 56,52%</td>
</tr>
<tr>
<td>political neutrality</td>
<td>10 21,74%</td>
</tr>
</tbody>
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Source: own processing
Generally speaking, public officials should not participate in activities, which are incompatible with their working responsibilities. Based on performed analysis, public officials should not participate in activities, which may endanger confidence and trust of the public in public official or organization. This duty is included in 31 (67.39%) codes. Moreover, there are another two duties, and both are mentioned in 28 (60.87%) ethical norms. Firstly, public officials should avoid the conflict of interest. On the other hand, public officials should disclose to his or her supervisor or established ethical body any potential or real conflict of interest. Another duty relates to unexceptional commitment to act in accordance with public interest. But, this duty is explicitly included in only 26 (56.52%) codes of ethics. What’s more, duty connected with political neutrality is mentioned in only 10 (21.74%) codes out of 46 adopted codes.

As it was mentioned before, conflict of interest is a complex phenomenon. In this sense, some promises and commitments should be made by the organization of public administration. In other words, relevant support system should help public officials to react ethically correct. Such mechanisms are mostly represented by specific ethical body or careful assistance of supervisor. If public official has any question about whether existing situation should be evaluated as a conflict of interest, the possibility to seek guidance could help to prevent the potential negative impacts of such conflict. But, mentioned support mechanism is included in only 8 (17.39%) ethical norm out of 46 codes overall.

To conclude, we might argue that selected group of codes contain specific aspects of conflict of interest, such as general definition, delimitation of entities, which could not gain inappropriate advantage and duties devoted to conflict of interest. However, we have to say that different quality and quantity of related formulations were identified in analysed ethical norms. Unfortunately, there were identified codes, which do not concentrate their attention on conflict of interest. Besides that, we might argue that significant part of examined codes concentrates its attention on solving and preventing conflict of interest. Both approaches should be perceived as important part of whole management of risks and impacts of examined issue.

4 Discussion

Based on abovementioned, the primary and general regulation of conflict of interest is included in legal norms. According to our analysis we might say, that codes of ethics should be perceived as an irreplaceable extension of legal norms. Simultaneously, we might argue that ethical norms are significant part of whole management of examined issue. Besides that, free will of each organization is represented by formulations in codes of ethics. However, formulations in ethical norms cannot conflict with formulations included in legal norms.

We might argue that Act no. 55/2017 Coll. on the civil service, as amended and Act no. 552/2003 Coll. on execution of work of public interest, as amend-
ed contain general and universal restrictions related to the conflict of interest. We need to emphasize that presented text is focused on the cities of Slovak Republic and public officials of local self-government units with the city status. In this sense, the Act no. 552/2003 Coll. on execution of work of public interest, as amended is the most relevant legal norm. In our opinion, definition of examined issue, which is included in mentioned act is appropriate. But, other aspects of conflict of interest should be characterized as universal and unclear. Mentioned legal act contains only general statement that public officials should refrain from any action that might lead to conflict of interest. This duty of public officials should be perceived as a fundamental basis. On the other hand, it is necessary to formulate additional duties and restrictions.

Regarding the personal and territorial force of legal acts, we might argue that legislative regulates interactions of the same kind and unlimited quantity. In this sense, it is appropriate that legal acts contain general restrictions, which should be applied to various types of social interactions. Anyway, another general formulation related to conflict of interest would not harm general character of analysed legal acts, especially when we mention entities, which could not gain inappropriate financial or any other advantage. Besides that, some kind of rigidness is at least suitable for legislative and regulation of conflict of interest. Such stability is represented primarily by formulation included in legal norms. Anyway, conflict of interest should be regulated more precisely.

Based on our analysis, we might identify two important tendencies. At the first place, we might identify clear effort to prevent arise of situation, which could be characterized as a conflict of interest. This tendency is represented by concrete duties of public officials, namely duty to act in accordance to public interest, duty not to allow conflict of interest or duty not to participate in contradictory activities or activities threatening confidence of the public. In this sense, prevention should be perceived as an unconditional priority in the condition of Slovakian cities. On the other hand, cities realize illusion connected with the ability of public officials to prevent conflict of interest. This tendency is represented mostly by the duty to disclose existing conflict of interest.

Moreover, another important aspect of examined issue is delimitation of entities, which could not gain any improper advantage. We might argue that regarding the decreasing distinctions between public and private sector, the clear definition of this aspect should be perceived as an important part of effective and transparent procedures in the sphere of public administration. In this sense, the reactions of public officials should be quicker and more suitable. According to analysis, mentioned entities were divided into three relatively consistent groups, namely public officials, family and close relatives and any other persons or organizations. In this sense, we might say that presented definitions included in codes are adequate. Moreover, some formulations also meet the strictest criteria. On the other hand, the significant part of codes does not specify entities, which could not gain improper advantage. The effectivity of these regulations is at least questionable.
Analysed group of codes of ethics formulate concrete processes, which should be applied when conflict of interest has occurred already. In this sense, it is very difficult to prevent conflict of interest, because this situation will occur sooner or later in almost each organization. Duty to solve real conflict of interest should be perceived as a necessary reaction on contemporary social reality. But, there are minimal or no requirements how to behave when conflict of interest occurred already. Duty to report is only procedure, which is mentioned in analysed codes.

In this sense, reporting is another important aspect of examined issue. Most of codes reflects contemporary tendency, which is based on disclosure of potential conflict. This approach is closely related to the ambition to minimize conflict of interest as much as possible. In this sense, duty to disclose only existing conflict of interest is not acceptable in contemporary world. Besides that, we could stress that possibility to seek guidance is set only in 17% of analysed ethical norms. This right of public officials could be another factor, which could help to manage risks and impacts of examined undesirable situation. Moreover, this approach promotes proactive attitude of public officials. The main benefit is mutual advantageousness both for public official and organization. On one hand, public officials are protected and on the other hand, organization is informed and could react adequately if necessary. Anyway, situation when employees could not prevent conflict of interest may occurs very easily. This fact was confirmed also by the opinions of scholars mentioned in the introductory part of the text.

Political neutrality is another imperative, which is mentioned only in 10 codes out of all analysed codes. Political neutrality is partly mentioned in relevant legal acts. Incompatibility of elected function and position of public official is mentioned in the Act no. 369/1990 Coll. on municipal establishment, as amended. But, the possibility of political pressure is not eliminated completely by formulation included in mentioned act. In this sense, we might say that duty to act political neutrally is legitimate requirement and should be included in ethical norms.

Based on abovementioned, we might continuously suggest some improvements, which could be implemented in the conditions of Slovakian cities. Firstly, organizations of public administration should systematically manage risks and impacts of potential or real conflict of interest. We have to admit that important aspects connected with the conflict of interest should be wrote down in codes of ethics. We might argue that most of codes tries to regulate conflict of interest. But, the most surprising is the fact, that 8 codes of ethics do not contain any reference to conflict of interest. These 8 cities and cities without code of ethics considered requirements mentioned in legal acts as sufficient. Besides, we might argue that most cities (67,25%) do not perceive concretization of rights and duties associated with the conflict of interest as necessary. Regarding the complexity of examined issue general definition and its prioritization should be very dangerous. Finally, we might say that adequate and systematic concretization of associated rights, duties
and mechanism should be very beneficial both for employees and achieving of public interest. In this sense, codes of ethics should contain part, which is devoted to conflict of interest.

It is necessary to say at this point that the most of mentioned formulations included in legal acts and ethical norms correspond with actual trends, which could be identified in contemporary modern democracies. Simultaneously, we could not say that there is nothing to improve. In this sense, we might argue that codes of ethics are live documents and should be revised and improved. We might argue that the revision of codes is the easier way how to improve whole system of managing risks and impacts of examined issue. The change of legislative seems to be more complicated and longer process. However, relevant and quality mechanisms included in legislation are important part of whole system of managing risks and impacts of examined issue.

Moreover, organizations should be fully responsible for actions related to the managing of risks and impacts of conflict of interest. In this sense, organization should help their public officials to manage risks and impacts of examined issue. The possibility to seek advice of supervisor should be perceived as fundamental basis. What´s more, the existence of individual or collective ethical body should be perceived as ideal tool, which can solve doubts of public officials. Such tendency should be identified in international documents of ethical character. Generally speaking, any type of ethical body is appropriate tool of ethical infrastructure, which can mitigate negative aspect of conflict of interest.

What´s more, additional duties should be implemented in the codes of ethics in the conditions of Slovakian cities. Based on duties, mentioned in international documents of ethical character, especially duties connected with solving the conflict of interest should be added in the ethical norms of cities. Such duty relates to reflection to act in accordance to public interest. But, this uncertain duty should be replaced by concrete mechanism connected with solving the conflicts of interest. At this time, cities concentrate their attention on preventing conflict of interest and not adequate attention is put on solution of real conflict. In this sense, cities should add some formulations to their codes, such as duty to prepare report about conflict, duty to comply with decision about solution of compromising situation or duty to acquire as much information as possible. Moreover, duties connected with post-employment restrictions should be added in the codes of ethics in the conditions of Slovakian cities. Regarding the complexity of contemporary relations between public and private sector, such formulation could be perceived as necessary.

Finally, we might argue that findings suggest that cities have to adopt codes of ethics if they want to improve managing of risks and impacts of conflict of interest. This suggestion is based on the fact, that rules and standards mentioned in legal acts are general. On the other hand, Slovakian cities may decide if they want to adopt code of ethics. In this sense, the managing of risks and impacts of conflict of interest is depends on awareness of each local self-government unit.
5 Conclusion

The main goal of public administration is to administrate public issues in accordance to public interest. Regarding the complexity of contemporary social interactions various types of situations could threaten serving the public interest. Besides that, the dominance of economical dimension of our society creates conditions, where conflict of public and individual interest should arise on daily basis. In this sense, managing of risks and impacts of conflict of interest represents important issue of contemporary public administration, which is discussed by public administration experts on national, European and global level.

The objective of the paper was to analyse the formulations connected with managing risks and impacts of conflict of interest, which are included in relevant legal acts and ethical norms. The hypothesis has been proved. Our research has confirmed that ethical norms can define aspects of conflict of interest more precisely than legal norms. Put differently, codes of ethics are appropriate tool, which is suitable for concretization of general requirements mentioned in relevant legal acts. Generally, we might conclude that codes of ethics should contain detail definition of conflict of interest, delimitation of entities, which could not gain inappropriate advantage or benefits, as well as clear list of rights and duties of public officials. Besides that, conflict of interest perfectly represents complementarity of ethical and legal norms. In this sense, ethical norms could describe aspects of conflict of interest, which could not be specified by legal norms. Of course, legal acts have to be used to set limits and define general aspects of conflict of interest. Based on abovementioned, we might argue that basic regulation of conflict of interest could be found in relevant legal acts. However, we have identified minimal concentration on important aspects of conflict of interest in legal acts. As it was mentioned before, some additional formulation could be perceived as mutually beneficial both for public administration and the public. In this sense, such formulations are included in ethical norms in the conditions of cities in the Slovak Republic.

In this sense, codes of ethics should formulate rules and standards how to behave in situation which should be characterized as conflict of interest. The complementary existence of ethical normative system and legal normative system should be perceived as a necessary in contemporary world. To conclude, legal norms contain general requirements and ethical norms contain specific formulations and mechanisms in the conditions of Slovak cities.

Based on abovementioned, the paper could encourage future research. Firstly, the paper is devoted to issue, which is not examined and discussed satisfactorily in the conditions of Slovak Republic. In this sense, paper may support interest in deeper research both in local self-government and public administration. Moreover, the paper concentrates its attention on public officials, which are employed by self-government units. Examining relations between rules and standards for employed public officials and elected public authorities could enrich both theory and practice. Moreover, the importance of com-
Comparison between states of Europe should be characterised as very attractive in contemporary globalized world.

What’s more, this paper has some limitations. First, the research sample was selected by intentional selection based on the criteria of status of local self-government unit. On the other hand, the paper examines those ethical norms and legal acts, which was relevant for Slovakian cities. Put differently, paper analyses all adopted codes of ethics of Slovakian cities and legal acts, which regulates execution of public administration in the conditions of local self-government. According to these facts, the widening of number of public administration organizations and ethical norms could be very useful both theory and practice. What’s more, we suggest that local self-government units should adopt codes of ethics. But, such suggestion has no legal and no legitimate support in contemporary legislative in the conditions of Slovak republic.

To conclude, the contemporary reality should be characterized by various types of contradictions and inconsistencies. According to Staroňová and Malíková (2007), we cannot compare possibilities of interest groups to affect those, who make decision to the ideal pluralistic society, because some groups are privileged, and some are apriori marginalised, isolated and disqualified by contemporary democratic systems. Anyway, public administration is the best mechanism when it comes to serving the public interest. Serving the public interest and efforts linked to managing of risk and impacts of conflict of interest should be perceived as important goal of contemporary democratic states.
Conflict of Interest: Legal and Ethical Aspects in Local Self-Government in Slovakia

References

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