The problem of corruption in the contracting out of public services — the case of Slovakia
Beáta Mikušová Meričková, Marek Majerík, Michal Lendvorský

Abstract:
Corruption finds room for its proliferation precisely where there is extensive, opaque and little controllable regulation by the state. In this context, it is the role of the rule of law to apply the principles of legal (enforceability) accountability in the context of corrupt behaviour and the drawing of consequences. The level of rule of law in this area affects the risk of corruption in public service procurement processes. The main goal of the study is to demonstrate the problem of corruption as the threat of the rule of law by the results of qualitative analysis of the legal framework defining corruption and of the methods of public procurement used by us in the contracting out of local public services in Slovak republic. The study answers research question on impact of legal accountability with implications for the risk of corruption on the methods of public procurement of public services. Data qualitative analysis is descriptive in nature. The real enforceability of legal responsibility for corrupt acts against public officials is very low in Slovakia. The quality of this legal framework has real impact on risk of corruption in public procurement processes, which can be identified by often using the direct purchase as the method of public procurement. Public organizations do not always proceed in accordance with applicable legislation, at least in accordance with its ethics and essential principles of public procurement. This problem reflects the proposed system's changes in public procurement in contracting out public services, which should eliminate the risk of corruption at the level of formal and informal rules.

Key words: corruption, contracting out public services, public procurement, the rule of law Slovak republic.

JEL Classification: K49

1. Introduction

Public service procurement is a market-based solution to alleged inefficiencies in the public sector. Contracting can be defined as a binding agreement in which a public institution pays a private company or non-profit organization to provide a particular level and quality of public service. Citizens, as customers, pay the government through their taxes or user fees, which in turn pay the supplier. According to Savas (1987, p. 88), since the government retains a security function, contracting is a conservative approach to increasing the role of the private sector.

Contracting is based on an "organizational decision to make or buy a good or service" (Prager, 1994, p. 176). Modern public organizations are expected to decide whether to produce goods and services in-house or to contract them out. The main principle of selection is to increase efficiency in maintaining or increasing the quality of public service delivery (Engelbeck, 2004; Epstein, 1984).

The potential benefits of contracting are mainly related to increasing individual choice and improving cost-effectiveness, quality and fairness (Bailey, 1999; Ovretveit, 1995; Lane, 2000; and many others). However, such potential is not fully confirmed by hard data and many empirical studies (eg Bel and Costas, 2006) fail to confirm the impact of production methods.
on costs, which was the main positive argument for contracting. In addition, some authors emphasize barriers to effective contracting as well as the negative impacts associated with the use of competition and contracting (Bailey, 1999; Pollit and Bouckaert, 2000; Lane, 2000; Maly, 1998, and many others). This opens up the issue of competitive public tenders and the problem of corruption in public procurement associated with ethics in public administration.

The establishment and maintenance of a legal contractual relationship between the contracting authority (contracting authority) and the representative (candidate) is associated with many problems and risks. According to Shetterly (1998, p. 23), this process takes place in three phases: pre-request, supplier selection and contract management.

The contract selection phase may be related to the problem of corruption. The interdisciplinary nature of corruption makes it possible to define it from different angles. Nevertheless, it is clear that "social science alone does not provide a complete explanation for corrupt behavior" (Beblavý 2007, p. 698). The legal definition of corruption can be found in the Criminal Code. Corruption is defined by law through its forms, with the crime of corruption being bribery, bribery, indirect corruption and electoral corruption. The criteria approach to the definition of corruption is based on a purely legalistic point of view and perceives corruption as an act that violates applicable laws (positive approach to the definition of corruption - Staroňová and Sičáková-Beblavá 2009, 12). In the case of violations of the law by persons in public office, we speak of deviant conduct “which does not comply with the standards set for the performance of public office due to the preference of private benefit (concerning individuals, families and related groups) political or other organizations in the form of financial (material) position or profit” (Vörös 2011, p. 2). The prescriptive approach to the definition of corruption declares a violation of ethical standards in order to prioritize one's own interests over the public interest (Staroňová and Sičáková-Beblavá 2009). The concept of public interest is based on two main lines of philosophical thinking, utilitarianism and contractarism. Utilitarianism suggests that increasing the social welfare is in the public interest, and that the question of justice is simply understood as a matter of maximizing collective benefit (Mill 2001). The Treaty position proposes the application of the principle of distributive justice, seeking to go beyond the liberal principle of equal opportunities (McCord 1999). These theoretical concepts of public interest allow us to regard it as an ethical, and non-subjective concept that serves the whole community.

The public interest can be seen as an economic concept (Apgar and Brown 1987; Bailey 1987; Bower 1974; Buchanan 1996; Hayek 1994; German 1998) and Vörös (2011), Beblavý (2007), as well as Hegemann and Berumen (20 corruption as an economic an activity that can be described according to the basic rules of a market economy (individuality of the procedure, awareness of the benefits and costs of such a procedure in order to maximize one's own benefit).

In addition to the definition of corruption in terms of law and economics, it can also be defined by the parameters of political science (Štička et al. 2005; Bardhan 1997; Nye 1967; Heidenheimer et al. 1989; Staroňová and Maliková 2007) and sociology (Graeff and Mehlkop 2003, Cartier-Bresson 1997). Interdisciplinary definitions of corruption perceive corrupt practices as violations of legal and ethical standards affecting the public interest committed by a person in public office.

The causes of corruption in public administration stem from the economic, political, cultural and social environment. The correlation between the monopoly market environment and extensive state intervention regulating the environment and corruption has been confirmed by several studies (Kligaard 1998; Broadman and Recanatini 1999; Djankov et al. 2002; Treisman 1999; Lambsdorff et al. 2000; Ades and di Tella 1999). Other economic factors in the growth of corruption are the size of the public services sector, the level of public procurement (Elliot 1997; Montinola and Jackman 2002; Graeff and Mehlkop 2003) and the low salaries of public employees (Tanzi 1998; Sičáková-Beblavá) and Beblavý, 2007; Protection and Maaytová 2012).
Several authors report a link between the growth of corruption in public procurement and the low level of economic freedom (Chaufen 2012; Swaleheen and Stansel 2007). The factor of corruption in public procurement arising from the political environment is a measure of democracy. Many studies confirm that a high level of democracy reduces the risk of corrupt behavior (Treisman 1999; Rose-Ackerman 2006; Gerring and Thacker 2004; Ledrman et al. 2001; Panizza 2001).

Decentralization, as part of the democratization process, on the other hand, has a negative impact in terms of curbing corruption in the public sector. Research on the relationship between political decentralization and corruption has concluded that the incidence of accepting and offering bribes has increased with a number of different levels of government (Rose-Ackerman 2006; Prud’homme 1995; Gurgur and Shah 2005; Treisman 2000b; Fan et al. 2009). This relationship does not apply in the case of fiscal decentralization (transfer of competencies from the central level to lower levels of government), which in turn reduces the extent of corruption (Fisman and Gatti 2002; Arikan 2004; Freille et al. 2008).

In addition to a stable parliamentary democracy, the guarantee of political responsibility (Adsera et al. 2003; Ackerman 2004) and media freedom (Besley et al. 2002; Freille et al. 2007; Kalenborn and Lessmann 2012) reduces the risk of corrupt practices in the public sector. Free and independent media play an important role in informing society, especially when society is active and can put pressure on the responsible behavior of political institutions.

Unlike economists and political scientists, sociologists attribute the causes of corruption mainly to factors related to human nature and the culture of the environment in which they live (Sičáková-Beblavá and Beblavý 2007). Traditions, the historical development of the country, can be qualified as unwritten (informal) rules, which affect the occurrence of corruption to a greater extent than written (formal) rules and even have a much longer lifespan (Paulini 2001; Sičáková and Zemanovičová 2000; Srebalová 2014). This overview of the factors of corruption in the public sector is consistent with the statement that "corruption is the result - a reaction of legal, economic, cultural and political institutions in the country" (Svensson 2005, p. 22).

The existence and level of corruption in public procurement depends on the level of formal and (legal norms, regulations) informal rules (patterns of behaviour, customs, traditions). At the level of formal rules, ambiguity, lack of clarity of laws or other legal norms, it creates space for subjective interpretation and discretion, thus increasing the risk of corruption. The risk of corruption in this regard is multiplied by several factors at the level of formal and informal rules:

At the level of formal rules, these are the factors:

- **Freedom in decision-making:** Arising from the complexity of laws, gaps or shortcomings in the standards themselves or their complete absence (independent interpretation of laws according to their needs) Klitgaard (1998); Staroňová and Sičáková-Beblavá (2009); Pauliniová (2001); Zemanovičová et al. (2001); Ďurajková et al. (2004).

- **Degree of dependence of the courts:** If the courts are dependent on individuals, businesses and so on, there is the possibility of a smaller number who are convicted for corrupt practices Rose-Ackerman (2006); Ades and Di Tella (1996); Sung (2002); Damania et al. (2004).

- **Weak control mechanism (enforcement, penalties):** Results in a low risk of detection and bearing the consequences in comparison with the possible profits Chaufen (2012); Swaleheen and Stansel (2007).

- **Transparency in the political system:** Public decisions that are not carried out in open and competitive conditions create a space for the emergence of corrupt behaviour. Pauliniová (2001); Ďurajková et al. (2004)
At the level of informal rules, these are the factors:

- **Customs and traditions:** Determine the nature of man and originate from an earlier age – corrupt traditions (note, etc.) Sičáková and Zemanovičová (2000).

- **Scale of values:** If the first level is occupied by personal gain or material goods, there is the potential for corruption in order to achieve them Dion (2013).

- **Morals:** Tolerance of corruption Moriconi and Carvalho (2016), Sičáková and Zemanovičová (2000).

- **Ethical infrastructure:** If it is not created, there are no tools to eliminate any unwanted proceedings (acts of corruption), *Code of Ethics in public sector organisations* Svensson (2005).

- **Corrupt models:** Corrupt behaviour of individuals, firms and the elite can be a model for society. Cartier-Bresson (1997).

- **Inactive civil society:** Insufficient public opinion puts pressure on politicians (by means citizens participation in public decision and control processes) Sičáková and Zemanovičová (2000).

The effect of factors of corrupt behaviour at the level of formal and informal rules often leads to the failure of public procurement methods because of insufficient supply of eligible tenderers, or to the application of inappropriate public procurement methods. We focused on the level of formal rules determining corruption by identifying the legal framework that regulates corrupt behaviour in the Slovak Republic. The quality of this legal framework has a real impact on the risk of corruption in public procurement processes, which can often be identified by using direct purchasing as a way of procuring public services.

### 2. Methods

The main goal of the study is to demonstrate the problem of corruption as the threat of the rule of law by the results of qualitative analysis of the legal framework defining corruption and of the methods of public procurement used by us in the contracting out of local public services in Slovak republic.

Based on the set goal, the empirical part of the study answers two research questions:

**RQ1**: How does Slovak legislation define corruption?

**RQ2**: How does the legal accountability with implications for the risk of corruption affect the methods of public procurement of public services?

The key methods of scientific research are the methods of classification analysis, comparison and abstraction in the creation of a theoretical and methodological framework; methods of secondary and primary data qualitative analysis and methods of synthesis and partial induction in conclusions.

Secondary data qualitative analysis is descriptive in nature and focuses on identifying the legal framework that regulates corrupt conduct. The legal framework is defined in Slovakia in the *Criminal Code* and serves as a basis for legal accountability for corrupt conduct with implications for the risk of corruption in public procurement processes.

Primary data analysis focused on public procurement methods in contracting out local public service:

- a) Waste
- b) Communications,
- c) Public lighting,
- d) Public green areas
- e) Cemeteries
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Research sample:

The primary data collection in the conditions of the Slovak Republic concerning the contracting of local public services took place in the period from 2001 to 2020. The development of the contracting of public services in the Czech Republic is described by the results of several own and taken researches. The data obtained by primary and secondary data collection between 2001 and 2019 also relate to the provision of local public services. The sample of research in the Slovak Republic is described in Table 1 and in the Czech Republic in Table 1.

**Table 1** Research of contracting services in the public sector in the conditions of the Slovak Republic

<table>
<thead>
<tr>
<th>Research implementation period</th>
<th>The research sample</th>
</tr>
</thead>
<tbody>
<tr>
<td>2001</td>
<td>55 municipalities of different size groups</td>
</tr>
<tr>
<td>2005</td>
<td>17 municipalities of the same size group</td>
</tr>
<tr>
<td>2006 /TIS</td>
<td>100 municipalities of different size groups</td>
</tr>
<tr>
<td>2008</td>
<td>28 municipalities of different size groups</td>
</tr>
<tr>
<td>2009</td>
<td>131 municipalities of different size groups</td>
</tr>
<tr>
<td>2010</td>
<td>141 municipalities of different size groups</td>
</tr>
<tr>
<td>2015</td>
<td>9 municipalities of different size groups</td>
</tr>
<tr>
<td>2020</td>
<td>115 municipalities of various size groups</td>
</tr>
</tbody>
</table>

Source: author’s own.

Note: TIS- Research in cooperation on the research project Transparency International Slovakia. The results of the research for 2015 can be considered as illustrative given the size of the research sample. Term “municipalities of different size groups” in connection with number of analyzed municipalities indicates the explanatory power of the research results. In some years (2005, 2015) are research outcomes only illustrative.

**Table 2** Research of contracting services in the public sector in the conditions of the Czech Republic

<table>
<thead>
<tr>
<th>Research implementation period</th>
<th>The research sample</th>
</tr>
</thead>
<tbody>
<tr>
<td>2000</td>
<td>53 municipalities of different size groups</td>
</tr>
<tr>
<td>2005 /TIS</td>
<td>100 municipalities of different size groups</td>
</tr>
<tr>
<td>2007</td>
<td>900 municipalities of various size groups</td>
</tr>
<tr>
<td>2010</td>
<td>673 municipalities of various size groups</td>
</tr>
</tbody>
</table>
3. Results

Slovak legislation definition corruption

The seriousness of corruption in Slovakia is defined by the criminal law and its possible forms of spreading in society. The Criminal Code lists the facts of corrupt conduct - a criminal offence. This law defines 14 constituent elements of criminal offences (Figure 2), which are associated with types of corruption. As the second (opposition) object we can identify the interest in "cleanliness" in public life. Thus, the proper and honest performance of duties that arise from employment, office and responsibilities. For this reason, all crimes associated with corruption involve intentional culpability.

Figure 2 Types of Corruption as a Criminal Offence

Bribery and acceptance of bribes are covered by 5 constituent elements in the Criminal Code. An offender commits the offence of accepting a bribe if they accept directly, asks for or are promised a bribe to act or refrain from acting in a way that violates their duties arising from their employment, profession, position or office (§ 329). Such conduct is, by legal definition, a thing or other consideration of a non-pecuniary or pecuniary nature not covered by a legal claim. The objective aspect of the violation of the law is fulfilled in the case of a direct act (dealing directly with the person who provides the bribe) or indirectly. The corrupt actor (perpetrator) may demand the bribe implicitly (without explicit words) or by explicit speech. The process can also work the same way for the corruptible actor.

For example, the corruptor puts a sum of money on the table, which the corrupt actor accepts wordlessly. Moreover, the Criminal Code does not define a minimum amount of bribe. Based on this, the offender commits a criminal offence when accepting a bribe (of any amount). Acceptance of a bribe is fulfilled if the corruptible person does not explicitly refuse the bribe, but implicitly agrees, whereby it is a binding promise (Burda, et al., 2011). The corruptible offender may demand the bribe implicitly (without explicit words) or by explicit speech. The process can also work the same way for the corruptible actor.

Advantages, the acceptance of which is permitted by law or are granted in the case of the existence of a public or legitimate interest, do not fall under the definition of the aforementioned undue advantage. An undue advantage (§ 336) is defined in the Criminal Code as an undue advantage (of an immaterial or material nature) which the offender intends to retain or obtain and which they would not otherwise have obtained by complying with the rules. Undue advantages of a pecuniary nature are, for example, cash payments, valuables, services, various travel vouchers, airline tickets, concert or theatre tickets, various large discounts or waivers of outstanding debts. Non-pecuniary advantages of a non-proprietary nature which cannot be realistically valued in monetary terms include various social and professional benefits, such as help in obtaining a particular job for oneself or a close person, an invitation to go hunting or support in elections.

The second constituent element of the offence of accepting a bribe relates to the procurement of things of public interest (§ 131). An example of such an act is the acceptance of a bribe by a
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A public official to permit a development in a "green" district. However, in order to satisfy this offence, it is necessary to prove a relationship between the bribe and the activity which falls within the public interest. The third constituent element (§ 330) refers to the conduct of an offender who, as a public official, directly or through an intermediary, requests, accepts or promises a bribe for themselves or for another person on the basis of the performance of their official duties or on the basis of their office, with the intention of obtaining or retaining an undue advantage.

Electoral corruption (§ 336a) applies to an offender who promises a bribe to a person who has the right to vote, to participate in a referendum or a popular vote on the recall of the President of the Slovak Republic, to vote in a certain way, not to vote or not to participate in the election. The object of the offence of electoral corruption is the protection of the so-called social interest in the purity and bribe-free (without influence) free exercise of the referendum, the right to vote, or the exercise of the democratic vote on the recall of the President of the Slovak Republic (Burda, et al., 2011).

Indirect corruption (§ 336) as a criminal offence is regulated in two constituent elements. The first punishes the person bribed and the second the person bribing. The above also applies to the offence of electoral corruption as well as the offence of giving and receiving an undue advantage. The meaning of (indirect) corruption, according to the Criminal Code, is the act of the perpetrator who requests, accepts, or promises a bribe for the reward of acting on a third person (example - a public official) to violate his or her established duties arising from his or her profession, occupation, office or position (Srholec, 2019). The perpetrator announces "good" connections – they will secure the issuance of, for example, a building permit. However, they do not ask for a bribe for the mayor, but for themselves.

Accepting and granting an undue advantage (§ 336c) is a criminal offence added to the Criminal Code in 2021. It is an act of corruption, defined as the acceptance of an undue advantage in connection with one's position or office as a public official, and is punishable by imprisonment for a term of 3 years. The term undue advantage means a benefit of a pecuniary or non-pecuniary nature capable of influencing a public official, to which there is no legal entitlement and the value of which exceeds EUR 200 or where it is an undue advantage for a public official or a person close to them that is not measurable in monetary terms.

Methods of public procurement of public services

The astonishing finding was in particular the fact that in many cases the municipalities did not state at all the method of selecting the supplier, the method of public procurement. As this obligation arises for them from the relevant legislation on access to information, the question remains whether they did not know or did not want to answer. However, our experience from detailed surveys in some cities suggests that in many cases there is really no evidence how the supplier was selected, only the minutes of the council meeting containing the name of the selected supplier.

The second problem is the method used. Given that this is a repeated provision of services, which we can describe relatively accurately technically and economically, from the point of view of public procurement ethics, open procedure and restricted procedure should dominate. In reality, however, this is not truth and in many cases even direct purchase has been used, which should be used exceptional and address only transient conditions.

The methods of selecting external suppliers of local public service in the conditions of the Slovak Republic are summarized in Tables 3 during the years 2000-2020.
Table 3 Methods of selecting external suppliers in Slovak republic (%)

<table>
<thead>
<tr>
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</tr>
</thead>
<tbody>
<tr>
<td>Open procedure</td>
<td>16</td>
<td>17</td>
<td>27</td>
<td>32</td>
<td>17</td>
<td>21</td>
<td>87</td>
<td>24</td>
</tr>
<tr>
<td>Restricted procedure</td>
<td>5</td>
<td>0</td>
<td>5</td>
<td>3</td>
<td>14</td>
<td>6</td>
<td>9</td>
<td>2</td>
</tr>
<tr>
<td>Negotiated procedure</td>
<td>0</td>
<td>13</td>
<td>30</td>
<td>0</td>
<td>7</td>
<td>1</td>
<td>0</td>
<td>14</td>
</tr>
<tr>
<td>Price bid</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>25</td>
<td>4</td>
<td>5</td>
<td>0</td>
<td>14</td>
</tr>
<tr>
<td>Direct purchase</td>
<td>31</td>
<td>17</td>
<td>38</td>
<td>30</td>
<td>11</td>
<td>5</td>
<td>0</td>
<td>33</td>
</tr>
<tr>
<td>Municipality was not willing to provide information</td>
<td>48</td>
<td>55</td>
<td>-</td>
<td>25</td>
<td>66</td>
<td>62</td>
<td>4</td>
<td>0</td>
</tr>
</tbody>
</table>

Source: author’s own

In the case of both countries, we can observe an improvement in the contracting out public services during the years 2000-2010. While the Czech Republic almost completely eliminated the method of procurement through direct purchase in 2010, the Slovak Republic had significantly better results in 2010, but in 2020 the monitored sample had even worse results than in the base year 2001. Slovak monitored municipalities contracting out in 2020 more services through direct purchase than through open procedure. For Slovakia, we can consider year 2015 as the most successful in contracting out, when none of the monitored municipalities stated that they procured services through direct purchase and up to 87% of municipalities contracting out public services by open procedure. In both monitored countries, research was conducted in hundreds of municipalities in individual years. In 2015, the survey was conducted in only 9 Slovak municipalities, which could have caused significant disproportions in the published output for Slovakia compared to other years. The mentioned methods of open procedure and direct purchase are the most common methods of procurement of services in Slovakia in the monitored sample, while restricted procedure, negotiated procedure and price bid were almost never used. In the Czech Republic, with the improving development of contracting out through the open procedure on the monitored sample, contracting through direct award is declining. From the above, we can to state that the Czech Republic has evolved over time in the way of public procurement, which we do not observe in the sample of Slovak municipalities.

In connection with the above facts, we propose the following arrangements in order to prevent corrupt behavior of local government representatives in the process of public procurement the following systemic changes in the process of providing local public services:

1. Creating conditions for the implementation of pluralistic forms of ownership by a broader definition of the term "tenderer" in public procurement processes - enabling the participation of all potential entities meeting the requirements in the process of contractual provision of local public services.

2. Functioning of the system of cost centers at the level of self-government.

3. Implementation of the public service testing system - introduction of the obligation to regularly test internal forms of providing local public services in terms of cost and quality and to compare them with possible external forms of provision.

4. Gradual application of the public procurement system when concluding contracts with external suppliers of local public services and reassessment of already existing local public services.
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services provided by suppliers (in cases where the corresponding tenders were not carried out to carry out these procedures).

5. Control of compliance with legislative standards governing the public procurement process, control of the content of contractual documents governing the implementation of contractual provision of local public services (quantitative and qualitative parameters of the service, regular control mechanisms, sanctions, pricing), control of regular testing of local public services and control existence of cost centers.

6. Strengthening the sanction for corruption.

7. Building public intolerance against corruption through information campaigns in cooperation with non-governmental organizations.

8. Creation of a code of ethics for employees in the public sector addressing issues of corrupt behavior

9. Creation, publication and updating of "black lists" of entities that have demonstrably bribed in the past in the procurement process. Media coverage of "suspicious" decisions of municipalities / cities.

10. Growth of media participation (professional magazines, dailies, Internet) in informing the public about the course of public procurement processes. Disclosure of information on the activities and management of property and finances of the municipality / city.

**Scheme 1** shows a clear focus of each measure on a specific problem area of public procurement.
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<table>
<thead>
<tr>
<th>Assumption</th>
<th>Condition</th>
<th>The consequ...</th>
<th>Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>Uncertainty, opacity and frequent changes in public procurement legislation.</td>
<td>- Subjective interpretation of legal norms - Discretion: absence of defined decision criteria - Low transparency</td>
<td>- Insufficient institutional internal control - The risk of bearing the consequences of corrupt behavior is lower resp. negligible compared to the benefits of such behaviorally affected by the effectiveness of control mechanisms</td>
<td>1. Creating conditions for the implementation of pluralistic forms of ownership by a broader definition of the term &quot;tenderer&quot; in public procurement processes - enabling the participation of all potential entities meeting the requirements in the process of contractual provision of local public services.</td>
</tr>
<tr>
<td>Insufficient law enforcement and legislation in the field of control in public procurement</td>
<td>- Insufficient institutional internal control</td>
<td>- DECREASE Risk of corrupt behavior</td>
<td>2. Functioning of the system of cost centers at the level of self-government.</td>
</tr>
<tr>
<td>Insufficient external institutional control focused more on the procedural side than on the efficiency and effectiveness of public spending</td>
<td></td>
<td></td>
<td>3. Implementation of the public service testing system - introduction of the obligation to regularly test internal forms of providing local public services in terms of costs and quality of provision.</td>
</tr>
<tr>
<td>High tolerance of citizens against abuse of power and non-transparency</td>
<td></td>
<td></td>
<td>4. Gradual application of the public procurement system when concluding contracts with external suppliers of local public services and reassessment of already existing local public services provided by suppliers (in cases where the corresponding tenders were not carried out to carry out these procedures).</td>
</tr>
<tr>
<td>There is no code of ethics or other special provisions for public officials in the except the rules applicable to civil servants</td>
<td>- Failure to inform citizens about the purposes and principles of procurement and local government representatives about entities ineligible for procurement, or violated the principles of it. Insufficient public control at the local level.</td>
<td>- DECREASE Risk of corrupt behavior</td>
<td>5. Control of compliance with legislative standards governing the public procurement process, control of the content of contractual documents governing the implementation of local public services (quantitative and qualitative parameters of the service, regular control mechanisms, sanctions, price adjustments), control of regular testing of services and control of the existence of cost resorts.</td>
</tr>
<tr>
<td>Insufficient public information about the principles of the public procurement about the violation of these principles. Insufficient public scrutiny at national level</td>
<td></td>
<td></td>
<td>6. Strengthening the sanction for corruption.</td>
</tr>
<tr>
<td></td>
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<td></td>
<td>7. Building public intolerance against corruption through information campaigns in cooperation with NGOs</td>
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<td>8. Creation of a code of ethics for employees in the public sector addressing issues of corrupt behavior</td>
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<td></td>
<td></td>
<td></td>
<td>9. Creation, publication and updating of &quot;black lists&quot; of entities that have demonstrably bribed in the past in the procurement process. Media coverage of &quot;suspicious&quot; decisions of the municipality / city.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>10. Growth of media participation (professional magazines, dailies, internet) in informing the public about the course of public procurement processes. Disclosure of information on the management of property and finances of the municipality / city.</td>
</tr>
</tbody>
</table>
4 Conclusion

In recent years, the societal, economic, moral, legal and other implications of corruption have been increasingly highlighted. Corruption finds room for its proliferation precisely where there is extensive, opaque and little controllable regulation by the state (Dincer and Johnston, 2020). In this context, it is the role of the rule of law to apply the principles of legal (enforceability) accountability in the context of corrupt behaviour and the drawing of consequences.

The main goal of the study was to demonstrate the problem of corruption as the threat of the rule of law by the results of qualitative analysis of the legal framework defining corruption in Slovak republic and of the methods of public procurement used by us in the external provision of local public services in Slovak republic. We answered two research questions.

The answer to the first research question RQ1: How does Slovak legislation define corrupt conduct? is the content of the Criminal Code, which defines corrupt conduct as a criminal offence in 6 categories and 13 constituent elements. The punishment for committing the offence of corrupt conduct is imprisonment, fine, forfeiture of property, forfeiture of things or prohibition of activity. Similar anchoring of corruption is found in the legislation of most European Union countries. However, as Sandgren (2005) points out, in some jurisdictions around the world the concept of corruption is very narrowly defined and is not considered a criminal offence. The opposite is the case in Vietnam, whose jurisdiction is very open, but corruption is prosecuted with harsh sanctions, including the death penalty. In this context, Michael (2019) argues that a distinction is often made between the public and private sectors when it comes to corruption. In several cases, the abuse of a private employee's position for their personal benefit is not considered corruption. On the contrary, the abuse of a public servant's position undermines faith in public institutions and is directly linked to corrupt behaviour. However the real enforceability of legal responsibility for corrupt acts against public officials is very low in Slovakia.

Second research question was focused at relationship between the legal accountability with implications for the risk of corruption and used methods of public procurement of public services. The quality of this legal framework has real impact on risk of corruption in public procurement processes, which can be identified by often using the direct purchase as the method of public procurement of public services.

Simple non-compliance with public procurement rules can be considered a serious source of corruption. Non-compliance with public procurement rules occurs at all stages of the procurement process - through the choice of procurement procedures, the poor content of the notice of public procurement procedures, the lack of precision in the description of the subject matter of the procurement, the setting of ambiguous conditions for participation in the tender and the criteria for the evaluation of tenders, setting an unreasonably short time limit for the submission of tenders, unjustified exclusion of tenderers from the competition, failure to comply with the tender conditions and evaluation criteria, failure to respect the selection of the tenderer by the evaluation committee, changes to the contractual terms and conditions when signing the contract with the successful tenderer, etc. (Vlach et al, 2001).

The results of primary research on the provision of local public services in the conditions of the Slovak Republic document some improvement in favour of the use of public procurement methods by public tenderer in the time period 2001 - 2020, although the year 2020 documents a return to public procurement methods with a lower degree of competitiveness of bidders for the public contract - direct purchase. This fact may indicate a higher risk of corruption. Similarly, Koprič et al. (2018) draws attention to the fact that the introduction of market tool mechanisms, which include contracting out, may also present a number of problems and one of them can be corruption in public procurement.

The results obtained from our primary research suggest that municipalities do not always proceed in accordance with applicable legislation, at least in accordance with its ethics and
essential principles of public procurement. This problem reflects the proposed system's changes in public procurement in contracting out public services. However these changes should be made not only at the level of formal rules, on which was our qualitative primary focused at, but also at the level of informal rules. Many studies confirm the overall relevance of corrupt behaviour factor in the public administration operating at an informal level - morals, scale of values – corruption patterns (Moriconi and Carvalho 2016; Wang 2013; Ríos-Figueroa 2012; Schultz et al. 2014; Stockemer and Calca 2013).

The subject of our future research on the determinants of corrupt behaviour in public administration will be factors at the level of informal rules - tolerance of citizens against abuse of power and non-transparency, existence of ethics code in public administration, public information about the principles of good governance and its failures.

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References


