

CENTRAL – LOCAL ADMINISTRATIVE AND GOVERNANCE RELATIONSHIPS IN TWO UKRAINIAN CITIES: KYIV AND ODESSA*

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The institution of local self-government occupies an increasingly important position in Ukrainian society. However, the contemporary system of local self-government in Ukraine is still not consistent with the principles of the European Charter of Local Self-government. In areas such as access to sources of revenue, policy initiation and citizen involvement in local governance, municipal governments in Ukraine frequently fall significantly short of expected European standards. In part, this is due to the lingering influence of the Soviet totalitarian past on the mentality of both the Ukrainian legislators and the representatives of local governments who are working to create democratic principles of true people's power. Too often, the creation of independent self-governance authority conflicts with the strong desire of some political forces to transform local self-government into an appendage of state (national government) power under rigid and comprehensive control. But, in spite of this, democratic principles are finding their way into the re-thinking of the role of local self-government in Ukrainian society.

*Transylvanian Review
of Administrative Sciences,
16 E/2006, pp. 71-83*

The growing preoccupation in Ukraine with the role of local self-government in the building of a democratic society draws upon a long tradition of European thinking about the role of local governance in democratic development. Beginning in the 1700s, with the writings of the French political philosopher Jean-Jacques Rousseau, about the importance of local government in the development of Swiss democracy and, in the following century, with the observations of another Frenchman, Alexis DeTouqueville, on the centrality of local institutions in the development of democracy on the North American continent, there has been widespread acceptance of the principle that democratic development and meaningful local governance go hand in hand.

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- Prepared for the 12th Annual Conference of the Network of Institute and Schools of Public Administration of Central and Eastern Europe – Vilnius, Lithuania, May 13-15, 2004
 - Revised version forthcoming as “Central – Local Administrative and Governance Relationships in Two Ukrainian Cities: Kyiv and Odessa” in The Enlarged European Union and Its Neighbors: Institutional Requirements and Problem Solving in Public Administration, edited by Gyorgy Jenei and Bernadette Connaughton; NISPAcee Press; Bratislava, Slovakia

Obviously, however, the task of developing effective, democratic local governance has been a complicated one – both historically throughout the world, and contemporarily in Ukraine. Much has been written by scholars of local government about both the relationship of local governments to a country's national government and the relationship of local governments to their citizens. Not surprisingly, these are issues that are equally central to the development of local government in Ukraine. Illustrative of this new awareness is S. Grinevetsky, Odessa Oblast Governor, who has characterized local government as a twofold phenomenon. On the one hand it is the natural product of local civil society, an instrument of self-organization and the realization of territorial communities. On the other hand, it is also an authority that possesses delegated duties and responsibilities. And here are legal collisions – with the result that most Ukrainian cities cannot yet be identified as possessing fully developed urban political systems.

A true urban political system is a dynamic unity of formal and informal political structures functioning with the purpose of solving conflicts, providing services according to the local system of values and transforming political demands into social policy, etc. [Sakhanenko S. Politychne upravlinnya mistom v umovah samovryaduvannya (Urban Political Management in Conditions of Self-Government). - Manuscript. - Odessa: ORIPA NAPA Publishing House. - 2001. - p.380. - P.59]. In many cases in Ukraine, there are still only weak urban systems where the potential elements (bodies of local self-government, non-governmental organizations, etc.) have hardly begun to develop. For the most part, it is only those cities that serve as centers of major regions that have begun to develop as the true urban political systems of Ukraine – Kyiv, Odessa, Lviv, Dnipropetrovsk and Kharkiv are among them.

The formal goal of public policy in Ukraine is the strengthening of positive tendencies in cities in order that they may provide “the points of growth” for the whole state. Consequently, the laws of Ukraine and the decrees of the President of Ukraine are directed towards the development and improvement of the system of local self-government. In Ukraine, two legislatively identified types of local government management have begun to develop: the principal system of local governance which is under the authority of the oblast administration (and rayons if it is a small town) and a system which is characterized by the co-existence of the bodies of local self-government and of the national or state power at the urban level. Within the first system, the bodies of local self-government execute only the predefined competencies of local government and any delegated responsibilities of public power.

Within the second type, local officials form both the bodies of local self-government and the bodies of national (or state) power. In such cities, the Mayor, elected by the population, is also appointed by the President of Ukraine to be the head of the local state administration. Thus, the bodies of local self-government and the executive bodies of state power co-operate on the basis of mutual delegation of responsibilities. The second system exists only in two important national cities – the capital city of Kyiv and the autonomous city of Sebastopol. At the same time there are several proposals regarding the giving of such status to other cities – especially ones of over a million populations that are the centers of regions.

UKRAINIAN CITIES IN SOVIET TIME

At the beginning of twentieth century, Ukrainian cities were growing as a result of the influx of great numbers of refugees and the migration of rural population that was being recruited to enterprises in urban areas. However, the further growth of cities was temporarily limited by revolutionary events, de-industrialization and the famine of the 20's. During that time, the urban population declined by more than a quarter.

In 1923, the population of cities began to grow again and, by 1926, they had reached the pre-revolutionary level. From 1941 to 45 many cities were greatly destroyed and their population

declined to 60% of pre-war levels. However, from the beginning of the 50's most cities had reached their level of pre-war population and began to grow further. This period was characterized by the rapid concentration of industry in big cities and the mass movement of population from rural areas to the cities.

During the 30's and 40's, the idea of self-organization, or self-government, was not widely accepted. The term "self-government" was even deleted from the scientific lexis. Only in the 50's and 60's did the idea of local councils as bodies of self-government develop in Soviet literature. Even then however, this concept was understood only as involving the widening of people's participation in local administration and management, with greater informal influence over the activity of administrative bodies and greater participation in the discussion of draft decisions.

During 60's and 70's in Ukraine, long-term but fruitful work on the identification of the legal status of local bodies of power was in progress. This was because after 1937, when the Constitution of the Ukrainian Soviet Socialist Republic (which consolidated a new system of local governing bodies) was adopted, not even one legislative act regulating the organization and activity of local councils was approved. In 60's and 70's, two laws, which defined the legal status of the local authorities, were adopted: the laws "On Village Councils of People's Deputies of the Ukrainian SSR", and "On Oblast Councils of People's Deputies of the Ukrainian SSR". However, there was no law on City Councils. In the 70's and 80's, research was carried out in which local councils were studied both as bodies of state power and as bodies of public self-government which represent the interests of people. Issues of their functioning, status, system, structure and problems were given priority. Thus, at the beginning of the 90's efforts began to develop the draft law on local self-government.

THE LOCAL GOVERNMENT LEGAL FRAMEWORK

The key sources of municipal government in Ukraine are: the Constitution of Ukraine, the laws of Ukraine (acts of the Verkhovna Rada of Ukraine and the Council of Ministers of the Autonomous Republic of Crimea), the acts of administrative bodies in the sphere of local government, the acts of the local self-governments and international acts in the sphere of local self-government.

The Constitution of Ukraine has provisions on the recognition and guaranteeing of local self-government by the state (art. 7); on the power of the citizens through bodies of local self-government (art. 5); on the people's right to participate in local referendums, to elect freely and to be elected to the bodies of local self-government, to have equal right of access to the services of bodies of local self-government (art. 38); on elements for elections to the bodies of local self-government (art. 71); on responsibilities of the Verkhovna Rada of Ukraine in the sphere of local self-government (item 30); art. 85; item 15, art. 92); and, on other key issues of local self-government such as functions and responsibilities of territorial communities, order of formation and structure of representative bodies of local self-government, their main functions and responsibilities and the mechanisms of local self-government provision (Chapter IX).

There are also important laws on local self-government – general and special (territorial and branch). The law "On Local Self-Government in Ukraine" defines the system of local self-government, including grounds for organization and activity of local bodies and officials, their functions, duties and responsibility and the guarantees of local self-government. The forms of direct provision of local self-government by territorial communities (local referendums, local initiatives etc.) are identified in this law – as well as duties of executive bodies of city councils, the status of city mayor and the material and financial grounds for local self-government. The law "On Cities of Kyiv and Sebastopol" determines the legal status of local self-government in those cities, as well as in the Autonomous Republic of Crimea.

Among the special laws in the sphere of local self-government is the law "On Capital of Ukraine – Heroic City Kyiv" where there are a number of chapters devoted to local self-government (chapter

II “Organizational and Legal Grounds for Local Self-government and Executive Power in the City of Kyiv”; chapter III “Local Self-government and Executive Authorities and Officials in the City of Kyiv, their Functions and Responsibilities”; chapter IV “Material and Financial Grounds for Local Self-government” etc.).

Another important source of municipal authority involves acts of bodies of state power: the decrees of the President, regulations of the Cabinet of Ministers of Ukraine, normative-legal acts of the Ministries, and other central bodies of executive power, local state administrations, decisions of the Constitutional Court of Ukraine on issues of local self-government; and normative acts of other authorities. One of the first acts of the Cabinet of Ministers in the sphere of local self-government was decree/decision # 311 from November 5, 1991 “On Delimitation of Communal Property Between State Property and the Property of Administrative-territorial units”.

Two important actions of the Constitutional Court of Ukraine are the Decision of the Constitutional Court of Ukraine from February 9, 2000 # 1-рп/2000 (on local self-government, charter of territorial communities of districts in cities and other issues) and from March 27, 1998 # 5-рп/п/98 (on elections in the cities of Kyiv and Sebastopol).

According to article 59 of the law “On Local Self-government in Ukraine” the local council has within its duties the authority to make normative and other acts in the form of decisions. The executive committees of the city and the district councils (if they are created) have responsibilities to make decisions. The city mayor and the head of district councils may make orders, which are obligatory for execution within appropriate administrative-territorial units.

As regards the normative-legal acts of the subjects of the system of local self-government, local referendums and acts of representative bodies of local self-government, particularly the charters of cities and other administrative-territorial units, standing orders of councils, rules, regulations, etc. are among the most important. According to article 19 of the law “On Local Self-government in Ukraine”, the representative body of the local self-government, on the basis of the Constitution of Ukraine, can adopt the charter of the city. The charter is to be registered the Ministry of Justice of Ukraine.

MUNICIPAL CHARTERS

The development of the system of local self-government requires an appropriate normative/legislative basis. This action depends in part on the activity of the local governmental bodies. The representative bodies of the territorial communities have to participate in the creation of conditions for the democratic development of municipal self-government through the formation of charters for the local communities.

In part 1, article 19, of the law “On Local Self-Government in Ukraine” it is provided that the charter of the territorial community can reflect historical, national-cultural, social and economic, and other features of local self-government for the territory. Unlike other documents adopted by city authorities, the charter is to be registered at the Ministry of Justice of Ukraine. The municipal charter is often called “the local constitution” because of its special status. It is the primary document that defines the acceptable acts of the City Council, the orders of the City Mayor, the decisions of executive bodies, the bodies of self-organization of population and the mutual meetings of residents.

Most urban communities are characterized by a great diversity of interests, many of which inevitably are in conflict. Consequently, it is important for political and governmental power not to be monopolized by any one interest. The Municipal Charter must be structured so as to insure that:

- o different opinions and procedures of conflict-solving can be identified within the administrative-territorial unit;
- o mechanisms of local democracy enhance the social activity of the population and the development of civil society;

- the public interest is defended through the description of norms and rules of interaction in the community; and,
- there is a guarantee of succession/continuity of power.

Thus, the charter is a means of self-regulation of the territorial community, a code for citizens' life in the city, a reflection of the values adopted by the local units to give the residents the practical possibility to realize their needs and the right to participate in building their own life.

The analysis of local laws in recent years testifies that in most places in Ukraine the charter process is in a very rudimentary state. In part, this is because the development of the local municipal charter creates many conflicts, most of which are connected with the necessity of an accurate definition of its subject and structure, the coordination of charter items with the norms of existing legislation and the non-acceptance of ideas of charter rights by some local leaders, etc.

THE CHARTER PROCESS IN ODESSA

Odessa as a multi-functional city which is at the center of a significant regional economic system. Its scientific and cultural functions reach beyond the boundaries of its oblast and spread to several neighboring oblasts, the city centers of which are less developed. The city possesses the major part of the industrial resources of the region, including complex industries which need highly-qualified cadres, enterprises/institutions and organizations of inter-oblast importance (banks, theatres, higher education institutions, research institutions etc.). As the result of the concentration of those functions, Odessa has become an important center of administration, science, and culture for both the region and the whole country.

For Odessa, the "local community charter" process has special meaning. Odessa initiated the charter process in Ukraine. The preparation of a draft City Charter was started in 1995, well before the adoption of the Law of Ukraine "On Local Self-government in Ukraine". This was even before the time when national law provided for the possibility of adopting a local charter. However, later this process stalled. The efforts to develop the Charter of Odessa were started again in 1998-1999 when three draft charters were presented for the public to discuss. The first, known as "The Charter of Odessa" was developed by a working group of specialists from Odessa Regional Institute of Public Administration of the National Academy of Public Administration, Office of the President of Ukraine, including Prof.'s O.Yakubovsky, S. Sakhanenko and M. Svirin. It focused upon the administrative-procedural aspects of city life.

The second effort, titled "The Charter of the City of Odessa", was prepared by A. Muchnik, a member of the Odessa City Council (following the proposal on improvement of city management structure by the steering committee of the city council). This project presupposed that the Charter is to be adopted by a city referendum; it is based on a unified concept concerning the historic peculiarities of Odessa's development and the norms of European law.

The third project – "The Charter of the Territorial Community of the City of Odessa" – was presented at the private initiative of M. Orzikh, the head of the Constitutional Law Department and the Prorector of Odessa National Law Academy. This proposed Charter has the most detailed historical background of the formation and development of Odessa. The author underlines the territorial development of the city as defined by long-term general plans of city development; the development of the city according to the social, economic, city-building policy of Ukraine on the basis of a combination of the interests of the city community, the Odessa region, the south of Ukraine and all-national objectives and interests.

All three draft charters have some drawbacks, the most significant of which is that they are not co-ordinated with the norms of existing national legislation. In addition, the efforts have not involved a wide spectrum of citizens and/or local interest groups. Obviously, it is desirable to involve (even at

the initial stage) the representatives of political parties, non-governmental organizations and residents' self-organization bodies who have the professional skills to contribute to this kind of work in the discussion of the draft document.

KYIV: A CASE OF COMPLEX STATE-LOCAL RELATIONS

Kyiv is the most important administrative, political, scientific and cultural center of Ukraine. Its special status is reflected in the rapidity of its development and its multi-functional nature and structure. It is the center of the all-national system of government and of the state administration. It directly influences the territory of Kyiv Oblast and, as a regional center, it also influences the neighboring Zhytomir, Chernigiv, and Cherkassy Oblasts which are closely connected with Kyiv as regards industrial, scientific and cultural concerns.

Because of its complex and central role in Ukraine, in order to execute its functions, the municipal government of Kyiv needs significant support from the key bodies of state power: the Verkhovna Rada, the President and the Cabinet of Ministers. On the whole, the relations between the city authorities and the highest bodies of state power are rather dynamic and balanced and testify to a consensus on key issues regarding the political and social-economic development of the capital. In fact, the municipal authorities and the highest bodies of the state hold positions of political centrism that makes them like-minded on many issues.

The higher bodies generally guarantee the organizational-legal, material and financial independence of the capital city. Kyiv, in turn, generally demonstrates a loyal attitude towards these bodies and assists them in their activity. But this situation does not preclude the development of some problems and conflicts between municipal authorities and the higher bodies of state power, which they solve with the help of various legal and political methods.

Regarding democratic development in Kyiv, the relations between municipal authorities and the Parliament of Ukraine are of special interest. According to the Constitution and the laws of Ukraine, the Verkhovna Rada possesses responsibilities which have great importance for solving problems of management in the capital. They include the right to define the status of the capital of Ukraine, the borders of the city of Kyiv, etc. That is why Kyiv municipal authorities regularly lobby for the interests of the capital in the Verkhovna Rada. In the past such lobbying was partially provided through the "Capital" deputy group of People's Deputies of Ukraine [Kampo V. Upravlinnya stolychnym mistom: polityka I pravo (Governing Capital City: Politics and Law).- Viche.-#5, 2002.- P. 10-17.- P.16]. After the elections of 2002, a Committee of the Verkhovna Rada On Issues of State Building and Local Self-Government, with a sub-committee on Issues of Capital Management was created.

The relations between the capital authorities and the Cabinet of Ministers normally are based on partnership; the guarantor of them de-facto is the President of Ukraine. According to law, the Government is to guarantee Kyiv its rights. In its relations with the Cabinet of Ministers, Kyiv from time to time has problems, – most of which involve financial matters. A comparatively new, but increasingly important and very active, factor in the formation and realization of municipal policy in Kyiv are non-profit NGO's which work on different issues of local life. The attitude of Kyiv municipal authorities towards them is somewhat restrained. However, these organizations not only provide various services for citizens, but, in light of limited municipal bureaucratic capacity, they work to improve the connection and trust between the residents and authorities.

ADMINISTRATIVE-TERRITORIAL REFORM

Just as center – local relationships are in the process of development between the national and local governments in Ukraine, so too are center-local relations being worked out within Ukraine's major cities. Indeed, one of the more problematic area of local self-government in Ukraine involves

the development of local districts within municipalities. The question of “whose competence it is to solve issues of districts in a city’s division” is a complicated one.

According to a March 12, 1981 decree of the Presidium of Verkhovna Rada of the Ukrainian SSR “On Order of Issues of Solving of Administrative-Territorial Arrangement in Ukrainian SSR” the creation and liquidation of city districts is the responsibility of the Verkhovna Rada of Ukraine. However, the current Constitution of Ukraine while defining the district in a city as an administrative-territorial unit different from the rayon (which is a component of the oblast) gives responsibility for the creation of rayons, but not districts in a city, to the Verkhovna Rada of Ukraine. That implies that the Verkhovna Rada (as implied in the Constitution) has no responsibility to create districts in cities and that this function can belong to other authorities, particularly to city councils.

At the beginning of 2003, there were 113 city districts in 26 cities of Ukraine. The system of district division which existed in Soviet times had the only one criteria for the division of city territories into districts – that is the presence of approximately an equal number of communist party members in each of them. Such a system was convenient for the organization of party activity. [Odesskiy vestnik.- February 8, 2003.- P.5]. The other important indicators of balanced development of inner-city territories were ignored. That is why it is not a surprise that representatives of the Communist Party are the most vigorous defenders of old system of district administration.

Today, the law of Ukraine allows the creation of several organizational models of city district management. The existence of district councils in Kyiv, and their executive bodies, is directly defined in the Law of Ukraine “On the Capital of Ukraine – Heroic City Kyiv”. That means that (contrary to other cities) the Kyiv City Council can not avoid the issue of district council formation. Kyiv city districts coexist with the state administrations and their heads. According to existing practice (which is not clearly identified in law), the head of the district council is appointed to the position of the head of the district state administration.

From the Soviet times, Kyiv inherited a rather archaic structure of administrative-territorial arrangements, which complicated the governance of the city and lowered the level of municipal service provision, while increasing local bureaucracy, etc. Kyiv was the first Ukrainian city to realize the realignment of local districts. On the basis of Kyiv City Council decision #162/139 from January 30, 2001 “On Administrative-Territorial Arrangements of the City of Kyiv” new borderlines for districts were established. The Kyiv City Council realized the reform of administrative-territorial arrangement of Kyiv going from fourteen to ten districts (Golosiyivsky, Darnutsky, Desnyansky, Dniprovsky, Obolonsky, Pechersky, Podilsky, Svyatoshynsky, Solomyansky, Shevchenkivsky) [On Administrative Arrangement of Kyiv / Decision of Kyiv City Council, January 30, 2001 #162].

Some deputies of the Verkhovna Rada of Ukraine saw in this decision a breach or infringement on their own prerogatives and addressed the Constitutional Court of Ukraine regarding this action. The Constitutional Court approved the decision and supported the City Council. It took into account two laws of Ukraine, “On Local Self-Government in Ukraine” and “On Capital of Ukraine – Heroic City Kyiv,” where the competence of city councils to make decisions on issues of administrative-territorial arrangement is specified. An analysis of the Constitutional Court decision leads to the conclusion that this particular decision hasn’t a general character for all cities with district division, but applies only to Kyiv because of the consideration of the special constitutional-legal status of Kyiv as the capital of Ukraine.

The formation of the ten new districts created some political reaction in suburban administrative-territorial units. Often, members of these communities, either at their meetings, or through other forms of local democracy, expressed their wish to join the capital, and create with it a capital region/county. But the bodies and officials of local self-government and especially of local state administrations in suburban territorial units took the opposite position. This was because the placing of some of these

suburban territories under the jurisdiction of Kyiv would reduce the territory of the Kyiv Oblast, and some of its rayon's, and, at the same time, the dependence of Kyiv on these administrative-territorial units.

The current pace of Kyiv's development requires new plots for housing developments, the moving of industry from the central part of the capital and the building of modern transport/traffic systems for movement in and out of the city. Today the perspective development of the city is restrained by the existence of strictly defined city boundaries, behind which the capital's local self-government has no rights because it is the area of authority of the Kyiv Oblast Council. Such territorial division creates serious problems for the capital city.

One solution would be the creation of a new unified territorial-administrative unit – the Kyiv capital county. There is however opposition to this from the Kyiv Oblast Council. The creation of a Kyiv capital county would widen the power of the capital city by making it unified with Kyiv oblast into one administrative-territorial unit. In response, it has been proposed to “dissolve” the city of Kyiv and to subordinate it to the oblast. In some state and political circles, which do not like Kyiv Mayor O.Omelchenko, there is much support for this.

There are several ways to possibly solve the conflict over Kyiv's territorial borders. They include:

1. *Agreement on a Variant of Capital County.* An agreement between the Kyiv City Council and Kyiv Oblast Council on bringing some territorial communities (suburban territories) into the capital government would be necessary. The Parliament must sanction such a formation.
2. *Agreement on self-government collaborative variant.* The population of the territorial communities of Kyiv suburbs elects bodies of self-government, which are for uniting with the territorial community of Kyiv on the grounds of an association of territorial communities similar to the Capital County. In this case there is no need for amendments to the law.
3. *Political variant.* President, government and parliament make appropriate political and legislative decisions on formation of body similar to the Capital County, with appropriate changes in the system of capital management, etc.

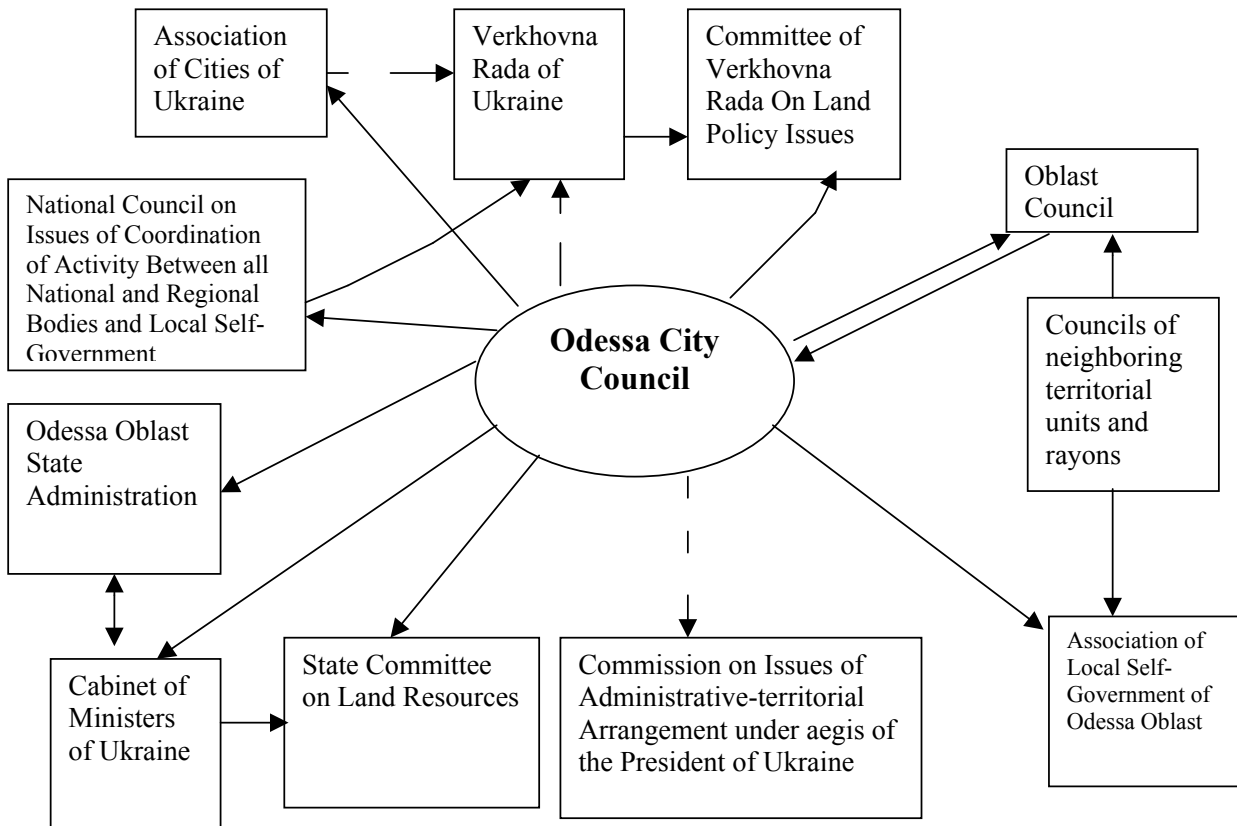
The “agreement on self-government collaborative variant,” is a possible starting point because the necessary pre-conditions are already in place in terms of the representative bodies of suburban territories. In fact, it appears that the majority of those communities support their “entering” into a capital county. This question was first raised in 1992, but it was not supported by the administration of the country. Today, the political situation is changing in terms of this complicated but necessary step in the development of Kyiv. If there is a decision to do this, then a follow up step would be for the Verkhovna Rada to decide to adjust the borders of a new capital county.

CENTER-LOCAL RELATIONS IN ODESSA

A complex situation of city and district boundary issues also exists with regard to city of Odessa. Part of the Odessa metropolitan community is located outside the borders of the city of Odessa on the territory of neighboring administrative-territorial units. However, in the case of Odessa it does not have the special legislative status identified by the Law of Ukraine for Kyiv. For Odessa, like the majority of other cities of Ukraine, the issue of such reforms is frequently affected by the conflicting interests of both territorial communities and local self-government bodies.

Equally significant in this regard is the problem of the multiple actors that are involved in decisions of these sorts. Diagram 1 below provides some sense of the many different actors that would play some role in decisionmaking regarding changing the boundaries of the municipality of Odessa. Despite the relatively high level of development of the local government system in Odessa, it is unlikely that the municipal leadership would be able to mobilize the resources necessary to bring about a significant change in municipal boundaries.

Diagram 1
The Network of Actors Involved in Addressing Boundary Issues of the City of Odessa



Another major issue of center-local relationships in Odessa is one that involves the internal matters of the city – the relationship between the city council and the city’s various local districts. This involves the internal organization of the city territory. Prior to 2004, Odessa was divided into eight administrative districts. Those districts all had very similar amounts of funds and similar sized staffs. However, because of great variation in numbers of residents, the capacity to respond to citizen needs varied greatly from district to district and demanded correction.

At an April, 2003 session of the City Council, a proposal was submitted to create an independent group of experts to identify the main tasks and responsibilities of all structures of Odessa City Council and districts aiming to avoid duplication of functions [Odesskiy vestnik. - April 26, 2003. - P.4] and equalize service capacity and distribution.

The City Council had used the norms of Constitution of Ukraine and Law of Ukraine “On Local Self-government” to assert its competence to decide the issues of organization of city district management and to not create district councils. As a consequence, the Odessa city council functions in the role of district territorial councils. Executive functions are provided by the city executive committee and, at the level of districts, district executive bodies are created as structural subdivisions of the city executive committee, which interact with it on the basis of subordination.

Odessa became the second city of Ukraine to undertake the extremely complicated task of redefining local districts (in April 2004, it is 1 year and 4 months since the realization of this reform). Because Odessa (unlike Kyiv) has no separate law regulating its status, the City Council had to take into account the norms of the Constitution of Ukraine, the European Charter on Local Self-Government

and the law of Ukraine “On Local Self-Government in Ukraine”. At the same time, Odessa did follow the Decision of the Constitutional Court of Ukraine #11-pn/2001 of July 13, 2001 which addresses some provisions of the Constitution and a set of acts of Ukraine on the legacy of administrative-territorial division reform in Kyiv. According to these documents, the reform of territorial division is to address such principal concerns as: maximizing the participation of city residents in public affairs and governance; optimization of administrative apparatus; elimination of superfluous bureaucratic obstacles/barriers; and accounting for historical and other peculiarities and/or characteristics of the city. The main task of such reform is the improvement of the living conditions of the citizens.

A commission of the city council which consisted of 33 people (including the city mayor and all his deputies, the chairperson of the city executive committee, secretary and councilors, heads of executive bodies of city council and its structural divisions, representatives of higher education institutions and political parties) and a Working Group on the Development of Concepts for Improvement of City Administration Structure of the City Council (consisting of 14 people), provided detailed analyses and developed criterion for reform in Odessa. The analyses provided by the working group revealed such problems, as:

- many administrative functions were not supplied financially and/or legally;
- there was a duplication of duties/responsibilities of various structural divisions of city self-government;
- there was not a well planned system of executive bodies of the City Council and its structural divisions did not provide for a realization of their duties/responsibilities and the effective utilization of human resources;
- there was a lack of efficient control over the execution of decisions made by the city executive committee and mayors orders;
- bureaucratic mechanisms of decision making led to long delays in getting documents from the executive bodies of the city council and its structural divisions;
- the administrative structures of the city were, at best, only weakly acceptable for the support of innovational and investment projects;
- the bodies of local self-government were located far from the places where the majority of residents lived. The buildings of district administrations of three districts of the city (Zhovtnevy, Primorsky and Tsentralny) were located at the extreme suburban edge of the districts and that created difficulties for citizens;
- the administrative-territorial division of the city into sub-city units was characterized as archaic with a structure of district division dating from the 1950’s and 60’s;
- the historical center of the city could not be maintained with integrity because the buildings and constructions which had cultural, historic and architectural value were located on the territory of different districts of the city (Zhovtnevy, Primorsky, Zentralny and partially Illichevsky). It was not feasible to create at the level of districts the special agencies and services which could provide the protection of these buildings and suitability of new constructions;
- the borderlines which separated the administrative districts of Odessa were not consistent with the main road lines. That meant that there was no clear responsibility for important streets, roads and territories;
- there was great imbalance of resources among the city districts.

The Working Group on Concept for City Management Structure Development proposed the following criterion for the reform of districts:

- the unifying of the historic zone of the city into one administrative district;
- the ensuring of conditions for equity/equality of resources among districts according to the population;

- the use of natural main roads as the borderlines of administrative districts;
- the use of existing buildings of administrative centers (district administrations) in new administrative districts where possible;
- the moving of administrative bodies nearer and closer to each citizen of the city and lessening of bureaucratic procedures with regard to his/her interactions with the bodies of local self-government;
- the preservation and keeping of the territorial unity of enterprises and historical monuments;
- the reforming of administrative structure in accordance with the requirements of current legislation;
- the coordination of administrative borders with natural city networks and communications.

After much deliberation, the Odessa City Council reduced the number of districts from eight to four aiming to bring the administration closer to the citizen. Some concern was expressed that there was a threat that "the district bureaucrat (would be) converted to local tsar, whom it is not easy to reach" [Ukraine and World today.- February 14-20, 2004.- P.2-3]. However, as table 1 and 2 indicate the new districts now are much more nearly equal in population and, as a result, also in resources.

Table 1. *Odessa districts before reorganization*

District	Square (km ²)	Residents (people)	Density (per 1 km ²)
Zhovtnevy	5,13	46 182	9 002
Illichivsky	29,10	84 795	2 914
Kyivsky	27,20	259 223	9 530
Leninsky	33,97	68 116	2 005
Malinovsky	25,51	151 340	5 933
Primorsky	14,62	144 148	9 860
Suvorovsky	22,97	194 826	8 482
Tsentrалny	4,70	80 172	17 058
Total	163,20	1 028 802	6 304

Table 2. *Odessa districts after reorganization*

District	Square (km ²)	Residents (people)	Density (per 1 km ²)
Kyivsky	27,84	265 331	9 531
Malinovsky	56,70	258 142	4 553
Primorsky	23,37	242 453	10 375
Suvorovsky	55,29	262 976	4 754
Total	163,20	1 028 802	6 304

In fact, it is already evident that there have been a number of positive consequences as a result of this reform. The relationship between citizens and local administrative structures has become clearer, thus making it easier for the citizen to interact with the local government. In addition, The historic center of Odessa is now principally located in one district, thus making it administratively much easier to engage in downtown redevelopment activities. Also, existing municipal facilities and communal property have been distributed in a more equitable manner between the new districts. The reorganization also further encouraged, and gave greater impetus to, efforts to create new administrative arrangements to address various social, economic and housing related issues faced by the citizens of Odessa.

The success of reform (which is still in the progress) is that, as City Mayor R. Bodelan says, decision-making will be as close to the citizen as possible. That is why the change was made – to change the decision-making process – to involve in it all stakeholders (local governments/authorities/bodies of state power, members of territorial community, NGO-s, local agencies of political parties, bodies of self-organization of population etc.) [Vechernyaya Odessa.- July 10, 2003.- P.1]. The NGO “Face to Face” (President Olexy Orlovsky) conducted surveys of public opinion concerning administrative-territorial reform. At the beginning of reform process 50% of population were for the necessity of reforming, and 50% were against it. In summer 2003 (July) – only 40% of residents were opposed to it [Odesskyi vestnik.- July 5, 2003.- P.6].

LOCAL BOUNDARY SETTING – AN OVERVIEW:

As the prior discussion indicates, issues of administrative-territorial arrangements are very complicated. Responsibilities are balanced between state/public power represented by the Verkhovna Rada of Ukraine and local communities. According to item 29, Article 85 of the Constitution of Ukraine, the Verkhovna Rada has within its functions the power to decide on issues of the creation and liquidation of rayons, establishing and changing of the boundaries/border lines of rayons and cities etc. Decision-making on issues of municipal-territorial arrangements are the competence of local territorial communities.

According to existing norms, the population through local referendums independently decides issues on the creation, transformation, liquidation of the territorial community (by means of uniting/dividing, separation/joining, getting/losing of territory). At the same time, the state as well has certain authority on territorial community creation. It identifies the conditions, criteria, and circumstances under which a settlement or a group of settlements can create their own community. So, there is an interrelatedness between territorial communities and the state in decision-making on issues of administrative-territorial and municipal-territorial arrangements [Sakhanenko S. Administratyvno-terytorialny ta munitsypal’no-terytorial’ny ustrij: problemy spivvidnoshennya ta reformyvannya (Administrative-territorial and municipal system: problems of interrelation and reforming). – Upravlinnya suchsnym mistom (Contemporary city management). - #4-6 (2), 2001. - P.45-53. - P.50]

As we have seen, around issues of district management and organization, there have been very heated discussions and disagreements. In part, this is because neither the Constitution of Ukraine, nor the law “On Local Self-government in Ukraine” answer clearly all questions about the organization of power at this level. The problem of improvement of the legal norms for management in city districts remains open because the existing norms can be treated differently under different concrete circumstances. Both those who support the preservation or creation of districts and district councils and those who are for their canceling find adequate legal arguments in favor of their point of view in the Constitution of Ukraine and in the law On Local Self-government.

CONCLUSION

Today, in Ukraine, an increasingly important place in the system of political-administrative relations belongs to the sub-regional level – the level of cities. Nevertheless, in decision-making on city problems in Ukraine, a significant role still belongs to national, or state, power. This can be explained in part by the non-perfect system of local self-government – the system’s traditional weak roots and the paternalism inherited from the national Soviet period. That is why the multi-level system of bodies of city management – bodies of self-organization of population (city), district (in the city) bodies of local self-government, city-state authorities, and oblast council is supplemented by one more level of political authority – the state power (the legislative branch, central and local bodies of executive power, and bodies of the prosecutor and courts).

In the Soviet period, through the system of political administration, the role of the state (preferably as executive bodies) grew rapidly. One of the results of the current modernization process is the loss by the state (first of all, by its executive bodies) of its monopoly position. While building the institutions and relations of civil society, numerous parties, NGO-s/public organizations (units), independent mass media, lobby structures, local self-government have become the state's competitors in the struggle for political power.

Today, relations between the state power and local self-government are one of the key problems of local self-government development in Ukraine. Competencies are not clearly divided legislatively between the bodies of local self-government and the bodies of executive power. For example, the laws "On Local Self-government in Ukraine" and "On Local State Administrations" simultaneously define many similar responsibilities. This situation leads both to competitiveness regarding competences, and unjustified interference of local state administrations into the sphere of local self-government competence.

Complicated relations between the state power and local self-government are especially vividly revealed in cities that are regional centers. Recent experience presents many examples of problematic situations that sometimes have been expressed in the form of open conflict between the two types of public administration at the city level. As can be seen from the analysis of events in Kyiv and Odessa, conflict was enhanced by an inconsistency between responsibilities and duties, and the territorial financial and economic basis for the execution of competencies both by local self-government and state power at the local level. In some cases there was also personal conflict reflecting ideological and political characteristics. All these factors influenced the system of both city and state (especially regional) administration.

The relations between the two types of public administration are characterized both by some level of independence and, at the same time, by inter-dependence and defined by the actual power potential which the two sides possess in terms of resources. As the state nowadays cannot absolutely control local self-government, it builds its relations with them on the basis of negotiations, compromise, and information exchange. Thus, not only does local self-government depend politically and financially on the state, but the state as well finds itself becoming more dependent on local self-government in the implementation of its political and economic role.

Without question, the formation of the institutions of urban self-government in Ukraine are among the most complicated tasks of new state development. There exists a complex/set of problems: economic, financial (restriction of revenues and misbalance of city budgets), social (destruction of existing social infrastructure; the decline of living wage), and political (trust of the population). Politico-administrative relations between the state power and local self-government can vary greatly and can involve subordination, coordination, co-operation, compromise, conflict, and competition. Consequently, the process of municipal reform in a country as large and diverse as Ukraine inevitably will not be simple, smooth and non-conflictual.