DIVISION OF PUBLIC TASKS BETWEEN THE STATE AND LOCAL GOVERNMENT: 
CASE OF HUNGARY AFTER THE REFORM

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ABSTRACT

From the 80’s on, interpretation of the local government’s situation goes tightly together with the searching of the way out of the welfare state’s crisis. The main characteristics of this era are the privatization and marketizing of state tasks and public services, especially related to health care, education and social service sectors. In 1990, during the formation of the municipal system, the greatest emphasis was laid on democratic operation, local autonomy and the establishment of the guarantees preventing governmental excessive power. Despite the high-level of the established autonomy, the operational space of the municipalities has kept on narrowing during the latest twenty-five years; as a result of the dysfunctional elements enhancing each other mutually, providing the local public services has required continuously growing efforts, and financing has become more and more difficult. The act on local governments passed in 2011 made considerable changes in local public service structures and the municipal tasks in Hungary. As a result, in providing for energy, water and sewage supply, in waste management, settlement economy, the maintenance of public roads and local public transport state contribution grew to a decisive level. The tasks to be executed by the local governments were considerably reduced, as well.