

**Good Governance *with* Government**

***Scope, Objectives and Significance***

**- A UNDP Perspective -**

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***Ta Panta Rhei kai Ouden Tauton Menei;***

*(Everything Flows; Nothing Remains Unchanged)*

***Potamo ouk Estin Emvinai Dis To Auto:***

*(One May not Step into the Same River Twice)*

**Heraklitus**

***“Felix Qui Potuit***

***Rerum Cognoscere Causas***

*(Happy is the One who Can Know the Causes of Things)*

**Virgil**

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## ***Scope, Objectives and Significance***

### **- A UNDP Perspective -**

#### **Abstract**

The current mega-crisis may presage more than meltdown of the financial markets. It may also mark the passage of a doctrine and ideology which swept the world in the course of the past 30 years. Briefly stated, in the words of the new President of the United States, this doctrine held that government was “the problem”; indeed “that every problem can be solved if only government could step out of the way; that if government were ... dismantled ... that would ...benefit us all”. A new/old term was coined: “good governance”. With 18<sup>th</sup> century roots, it served to give the impression that government and governance were two very different things and that indeed democracy was assured if government would simply “step away”. We are currently reaping the fruits of this singular ideology as governments world-wide are struggling to bail out ailing markets and enterprises. However, on the social and ecological fronts, the downsides of this doctrine have long been documented in UN reports among others, though “swept under the rug” or simply explained away as the collateral damage of an otherwise sound system.

It is against this backdrop that the present paper explores the damage which the “disdain” of government has inflicted on the institutions of government and public administration. The term “administration” was expunged from our vocabulary in an attempt to convey that “management was management”, mostly applied economics and virtually the same across the

board. (“one size fits all”). The “*market model of government*” sought to convert all government and public administration to private sector ways. The quest of the three Es (economy, efficiency and effectiveness) rose high in the scale of values. By comparison, equity, ethics, the rule of law and due process suffered in many ways, in spite of much lip service to the contrary. On the assumption that efficiency was mostly predicated on “letting the managers manage”, deregulation and decentralisation became the rule, sweeping away controls, which had been put in place to preempt or contain arbitrariness. On the assumption, moreover that, to all intents and purposes, the core of management functions lay in programme execution, policy advice capacity was largely frittered away, with frequent use of consultants, as the preferred alternative. “At will employment practices” replaced more traditional patterns in several countries and public organizations, national or international.

Though public-private partnerships are requisites of progress, we need to reconfigure the limits of “*outsourcing*” and the proper role of consultants in government administration. Capacity development must start with the reinforcement of *home-grown, in-house* capacity to steer and stay the course of public service reform, which has become essential in these days of rapid change. “*One size does not fit all.*” Public sector organisations must be equipped, accordingly, with the requisite knowledge and skills to make the *critical choices* that are incumbent upon them and use external inputs of expertise advisedly to maximum advantage. Good democratic governance should be our goal. However, this is predicated on a *caring and competent government* taking charge and leading the country where its people wish to go. It begins with accountable government, subject to the rule of law; one which listens and responds; one which is also *relevant* to people’s basic needs; and one which always acts transparently because it has nothing to hide. With the wisdom of hindsight, it is possible to argue that

challenges and crises often carry the seeds of reform. They offer opportunities which are not to be missed. Many countries working to-gether can bring these to fruition.

## **Introduction**

The events of recent months – or arguably couple of years – bring into sharp relief the importance of the theme of our debate, which also serves as remit of the sphere of UNDP to which I've been assigned. Remarkably, what I discovered since taking the Oath of Office, three months ago precisely is that while, in public narratives, its importance has remained wholly undiminished, the scope, objectives and practice of what we call “*good governance*” have almost totally changed. The term and what it evokes have not lost their appeal. By contrast, however, the outputs and modes of their delivery have been transformed completely. Can this be a sign of the times; a jolt as if we needed one and very sharp reminder of the evanescence doctrines once thought to last forever, but swiftly disappearing like morning mist?

We need to address these issues, some of which are controversial. We need to draw the lessons of close to 30 years and ask how such a model so plainly *one-dimensional*, at odds with prevalent currents in democratic governance and with the institutional gains of more than a couple of centuries, contrived to win acceptance so rapidly but, having reached its zenith, withered away so quickly. This paper will endeavour to answer these baffling questions. It will explore these issues in hopefully an objective and balanced way. It should be clear, however, that what we need to do is move beyond the analysis of what went visibly wrong, towards a set of options that get us out of this crisis. At best, our search may yield correctives which will serve to mitigate the effects of the current global recession, but also help us build firm bases for future prosperity or, at the very least, help us avoid repeating our past mistakes. Pragmatic

considerations remain our guide for action. It should be clear however that “*pragmatism*” – the term – is itself value-laden; amenable, in fact, to varying interpretations and sharply conflicting viewpoints. Plainly, I have my own. They will become apparent in the course of this presentation.

To begin with, I submit that we need to remember the tenor of pronouncements that were made some thirty years ago. Substantively repeated on numerous occasions especially during the nineties, they enable us to grasp the magnitude of the intervening change. Let me just recall the words of former President Reagan who, in his inaugural address in 1981, declared the central government to be the source of problems rather than problem-solver. “It is my intention” he stated “to curb the size and influence of the Federal establishment.” (Levine and Rosen 1986:196)

The message was embraced even by President Clinton, (Paul Krugman, 2008, A39) who, half-way through the nineties, emphatically stated that “the era of big government was over.” Echoes of this belief were also heard in Australia, New Zealand, Canada and the U.K. They even resonated in many developing nations and countries in transition, where a new model of government was assiduously promoted by financial institutions and by the donor community.

### **From Government to Governance ... and Back**

In contrast to “big government”, a highly pejorative term during the eighties and nineties, a new expression was born. It had historical roots in the 17<sup>th</sup> – 18<sup>th</sup> centuries but was resuscitated to send a hopeful message. The World Bank, which first used it in 1989, prepared a book about it in 1992, in which a definition of “*governance*” was proffered. According to this study, it pointed

“to the manner in which power is exercised in the management of a country’s economic and social resources for development.” It added:

*“Good governance is epitomized by predictable and enlightened policy making (that is, transparent processes), a bureaucracy imbued with a professional ethos; an executive arm of government; and a strong civil society participating in public affairs, and all behaving under the rule of law” (World Bank, 1994: VII)*

A “tall order” one might argue; certainly highly desirable but hardly what existed or was readily attainable in large parts of the world. In retrospect, however, what, in the last analysis, gave weight to such pronouncements were the road map and the norms prescribed towards the attainment of this desirable goal:

*“The new model requires a smaller state equipped with a professional, accountable bureaucracy that can provide an “enabling environment” for private sector-led growth to discharge effectively core functions, such as economic management, and to pursue sustained poverty reduction.” (World Bank, 1994:xvi)*

Allied to implicit faith in private sector capacity to drive the growth agenda, the concept of “the shrinking state” emerged as a critical element of the “*Washington Consensus*”, which dominated the scene during the nineteen nineties, arguably even later. (Stiglitz, 2002). It was as if good governance, socio-economic development and poverty reduction – indeed democracy itself -- could be pursued effectively and brought to speedy fruition by “*hollowing out the State*”,

to use a favoured expression we owe to Carole Harlow, the LSE Professor and General Rapporteur of the Bologna Conference of the IIAS; that immediately preceding the one which started memorably on the foothills of the Acropolis (July 2001).

We've seen, in retrospect that, vesting too much faith in non-state institutions, "faith-based" or otherwise; that looking for results in the "one thousand lights", to use a hallowed expression attributed to a former Head of State, was really not the path to poverty reduction, as earlier had been hoped. Remarkably, however, for more than twenty years "*welfare*" – the very term – was expunged from our vocabulary, equated with philanthropy in large swathes of the world, but surely relegated to a very low priority and order of importance among the tasks of government. It's making a comeback, in one form or another, as countries rediscover the virtue of social safety nets and of the need to come to the rescue of vulnerable groups, hard hit by the current recession, but also of the impoverished amid those having plenty. (Jason De Parle, 2009: 1-4).

Maligned, in certain countries, *welfare* came to represent, with the *administrative State* what, according to some, had gone wrong with government intervention during the post-war decades. More recently, however, it found itself anew in the eye of the storm which accompanied the proposals on government measures to bailout the ailing sectors of economic activity and to mitigate the plight of those smitten by the crisis. The intense debate, throughout, has brought back to the fore an old controversy regarding the scope and role of government in our contemporary world; that is, in our society and in today's increasingly globalised economy (C. Newland 2007: pp 24-46). Predictably, it has held centre stage, not only in North America, but all around the world, where people look to government not merely to ease their pain, but chiefly to restore a measure of security, safety and predictability in their work-a-day lives. Barack



Obama, new President of the United States, articulated this sentiment also setting a new agenda, in his Inaugural Address, on Tuesday, 20 January 2009. In his words:

*“The question to-day is not whether our government is too big or too small, but whether it works; whether it helps families, find jobs at decent wages; a care they can afford; a retirement that is dignified.” (B. Obama: 2009,p.2)*

More explicitly, however, President Barack Obama in a memorial address on President Abraham Lincoln, at Springfield, Illinois, added these thoughts which speak volumes on the importance of good, effective government and the neglected concept of working for the public good:

*“ ... in recent years we’ve seen the pendulum swing too far in the opposite direction. What’s dominated is a philosophy that says that every problem can be solved if only government could step out of the way; that if government were just dismantled and divided up into tax breaks, that it would somehow benefit us all. Such knee-jerk disdain for government – this constant rejection of any common endeavour – cannot rebuild our levees, or our roads, or our bridges. It can’t refurbish our schools or modernize our health care system. It can’t lead to the next medical discovery or yield the research and technology that will spark a clean energy economy”<sup>1</sup>*

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<sup>1</sup> President Barack Obama Speech at Lincoln Dinner, Springfield, Illinois, February 1, Milestone Documents blog

Indeed, one is tempted to add that such ill-considered “disdain” and deprecation of government does not raise hundreds of billion, potentially trillions of US dollars, to bailout sinking markets or problematic firms and financial institutions. In “reinventing government,” if that were necessary, our endeavours should be directed towards a *caring government*, respectful of its citizens and of their basic needs, restoring to the world a climate of trust, where free enterprise initiatives and civil society activities can flourish under the rule of law. The road to better governance – to democratic governance – begins *with* better government and thus entails reinforcing citizen participation and public trust. It is an uphill road, but failure is no option.<sup>2</sup>

To paraphrase these statements, which ring so true today, we might say that the issue before us is not the size or scope but rather the *centrality* and *relevance* of government to the citizens’ real concerns. Almost by definition, these vary in time and space. Nine years ago already, a noted US scholar affirmed, almost prophetically:

*“The [reinventing the government] model was born of a conjuncture and shaped by a combination of rather uncommon events. The administrative paradigm, which marked the 1980s and 1990s, would not hold up in times of crisis, high unemployment, sharply declining public revenues, depleted retirement funds and increased poverty.” (H.G. Frederickson, 2000:8)*

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<sup>2</sup> The well-known US publicist and author Thomas Friedman drew this alarming conclusion from the ongoing deep crisis afflicting the US, as well as much of the world “...we’re going to have to get used to a loss of trust. All those rock-solid people and institutions that we trusted with our money, our pensions and our kids’ piggybank savings – like Citigroup, Merrill Lynch, Bank of America – do not seem trustworthy anymore. Never before in my adult life have I looked around at every bank in my town and said, “I’m not sure I wouldn’t prefer to put my paycheck in a mattress.”

*The Bernard Madoff scandal, of course, has only reinforced that loss of trust. His degree of betrayal – his alleged willingness to embezzle the life savings of people whom he had known his whole life – is so coldhearted that it charts new territory in human behavior. He’s on his way to becoming an adjective. Money managers are already being asked to prove to prospective new clients that their internal safeguards are “Madoff proof”.*

See Thomas Friedman “Elvis Has Left the Mountain” in *The New York Times* Sunday Opinion, Sunday, February 1, 2009, p. WK 9.

Again, in retrospect, what one may find most striking is not that this new model, so vocally hostile to all proactive government, contrived to reign supreme for close to thirty years but, more than anything else, that it was sold to the world as the last word on governance. It sounded, for a time as if, counter-intuitively, good governance and government were antithetical notions; truly a contradiction in terms.

### **The Market Model of Government**

Allow me, ladies and gentlemen, on assuming my new functions as Director of Governance Practice in the UNDP to jointly explore, with you, this *conundrum* and to ask for your advice. Let me also share with you some preliminary thoughts which I have formulated on the subject and related responsibilities of the UNDP. They touch on the interface of government and governance with “*capacity development*” or “*capacity reinforcement*”. Of course, these terms entail varying priorities and strategies in different geographical latitudes. What has never ceased to amaze me is the measure and rapidity of the intervening change; the ease with which a model, ostensibly so new, so radically opposed to those it tried to unseat, was able to prevail; the pace at which its message conquered and spread; the brevity of its peak; the speed of its decline. Already in the early 1990s, the extent of its influence and outreach had been such that the New Public Management and the Reinvention Movement were portrayed by their advocates as *the key* to the future. Like any rising dogma, they were as intent on demolishing those that they sought to replace as to establish their own claims. In the words of one such advocate:

*“the traditional model of administration is **obsolete** and has been effectively replaced by a new model of public management. This change represents a **paradigm shift** from a bureaucratic model of administration to a*

*market model of management closely related to that of the private sector.*

*Managerial reforms mean a transformation not only of public management, but the relationships between market and government, government and the bureaucracy and bureaucracy and the citizenry.” (O.E. Hughes, 1998: 242; my emphasis)*

Such claims to supersession, proponents of NPM combined with disavowal of theoretical leanings. Remarkably, however, an ostensibly pragmatist bent and down-to-earth approach were coupled, in this case, with scientific pretensions and related global ambitions. This point was clearly made by the late Professor Heady, who said that NPM represented the “most recent urge to develop a science of administration with principles of universal validity.” (F. Heady 2001: 391)

It was on this very basis that, at the end of the century, New Public Management theorists could forcefully advance “one size fits all solutions” in much the way that Taylor and his disciples had proffered their tenets as “*best ways*” and as scientific principles, at the dawn of the twentieth century. What seems an *oxymoron*, in our own days, is that a “paradigm shift” ostensibly rooted in science should like a sudden flash, prove so very ephemeral, hollow and, in the event, short-lived. A confluence of events explains, to a large extent, the meteoric rise and momentary dominance of this singular ideology, an ethnocentric cult borne of a minority culture, which professed to cure the ills of all administrative systems in any part of the world. There can be little doubt that the measure of acceptance, which it received world-wide, was to no small degree the work of the donor community and private sector consultants. With private sector consultants conspicuously in the lead, it comes as no surprise that all too often salesmanship,

replete with spin and soundbites, prevailed over scholarly intentions (Jain 2007, Kamensky, 1996). Have governments invested too much faith in consultants? With twenty years' experience, the question may be asked and, in all fairness also, addressed to bilateral and multilateral agencies like USAID and the World Bank which, in the past decades, have heavily relied on corporate consultants both in the formulation and – to a lesser extent -- in the implementation of technical cooperation programmes. (Pollitt, 2001)

The critics of such programmes have often made the point that, in spite of much lip service to *demand-driven* programmes, these have been *donor-driven* in all too many cases and that expatriate officers or private sector consultants have claimed too big a slice of the total aid budget. In the measure that such criticism may have a germ of truth, these issues must be addressed and past mistakes redressed. Technical cooperation and information-sharing, exchange and consultation are more than ever critical and needed in our field. In an era of expanding globalisation and growing interdependence, no country or institution can afford to be secluded. None is able to survive, let alone progress and prosper in isolation. Commerce and interchange represent essential requisites of democratic governance and socio-economic development. What we need to reconfigure, on the other hand, are the *limits of outsourcing*, and the *proper role* of consultants in administrative reform.

You should not be surprised if I describe the practices of public administration and governance in our region as a quilt of random patterns and many colours. Please treat it as a homage to cultural diversity, which is itself the product of historical developments in this vast and varied region, which is truly a meeting point of civilisations. Seen from any of its capitals or from Headquarters, New York, it seems like contemplating the world through a kaleidoscope. Neither public service reform nor the advancement of good governance could in any way be

intended to reduce this *rich diversity*. Rather, do I submit, our goal should be to put the diversity of good practices and the lessons of experience to the service of all countries – the governments, practitioners, scholars and NGOs – from Tiranna to Bishkek; from Tallinn to this City which is our Host today. To promote such needed exchanges, however, a framework must be established and a user-friendly environment created which will favour and facilitate technical cooperation in the complex and sensitive areas, which good governance with government and public sector reform have come to represent.

### **Democratic Governance: what do we Mean?**

It is hardly necessary to dwell on the idiosyncracies of public sector reform or to dispute the fact that governance – good democratic governance, for that matter – are not self-evident truths but, as already stated, subjects of controversy. We need to approach controversy not only with an open mind but also with the willingness to engage in the debate. “Good, democratic governance” (“Good enough”, some like to argue): what precisely do we mean? We, in the UNDP, have certainly some ideas which come from work experience. They shape the UNDP programme of work at the central, but also the provincial and local levels; they also guide our footsteps in helping us promote *transparent, effective, participative, accountable, responsive* and *responsible* governance. But whether one should opt for centralised approaches or for decentralisation; what public service structures should be preferred; how many departments of government; indeed how many levels for devolution of power and decision-making authority? These are hardly types of issues on which we should attempt to generalise.

“*One size does not fit all*”. “Procrustean” is the term that ancient Greek mythology has left us to describe a tendency to assume that there is one solution applicable to all problems,

uniformly. Indeed, as we have seen, the errors of past ways most likely had their source in the mistaken belief that management science could offer authoritative guidelines in all such matters. One ventures to suggest that this erroneous view may have been at the origin of an observed proclivity to “*outsource*” important decisions, which lie within the remit of government authorities and are for them to take. In a fast-changing world, such critical decisions touch on our very destiny and on our future. They shape the course of reform in public administration, as well as other fields. UNDP can help as a global organisation and as *regional resource*. Tested management consultants and policy advisors – regional or interregional -- may offer useful complements of know-how and expertise in certain critical technical areas. However, such advice can only avail and bring about results when governments have the capacity to weigh such pondered advice; when governments know well in which direction they want to move and where that direction will take them.

The study of the Greek classics informs us of the importance that ancient Greeks accorded to the Oracle of Delphi. It also teaches, however, that it was left to governments how to interpret riddles which they received from the Oracle. It was one such decision, based on interpretation of Delphic advice, which led the Athenian fleet to Salamis, prompting the famous battle which turned the tide of history. It has been said before, but bears repeating that, whether in South Africa, in Greece, Japan or China, we live through times of *change*. What else is new? A pre-Socratic philosopher, Heraklitus had said as much, as early as the 6<sup>th</sup> century before our era:

*Ta Panta Rhei Kai Ouden Tauton Menei*

*(Everything flows; nothing remains unchanged)*

“You cannot step,” he added “in the same river twice.” No words describe more aptly our present-day predicament than this classical verse of Heraklitus. Precisely this reality, however, clearly points to one primordial function that represents the epitome of what we call “good governance”; which it behooves the government – a democratic government – to carry out. In his remarkable study, now available in many languages, including Greek:

*“The Capacity to Govern: A Report to the Club of Rome”*

Yehezkel Dror, Emeritus Professor at the Hebrew University of Jerusalem, explores this critical task. He does so by referring to Plato’s seminal work; not the *Republic*, however, but the “Statesman” (*Politikos*), where Plato draws the analogy of weaving and the weaver, in order to explicate it.

Potential for good governance, begins with this capacity. In these uncertain times, this “*Age of Discontinuity*” to use a well-known title from Peter Drucker’s works, indeed with winds of change often frequently changing direction, people need to be able to invest some confidence in government and, knowing that their government is in control, avoid predictable crises; certainly avoid calamities. This surely represents a critical dimension of *public trust*; something that has been fading in all too many countries, developed or developing. Rebuilding public trust, where it has waned, (T. Friedman, 2009) must start by restoring *capacity* to steer the process of change and steer the process of government in accountable, transparent and participative ways; in ways which respect the rule of law and public virtues, as well as the much-needed *instrumental* management values of efficiency and effectiveness.

Duplicitous government practices, which violate the spirit of justice and the law while keeping up the appearances of order and propriety, are probably at the root of a great deal of the cynicism and discontent that one finds so very prevalent in large parts of the globe. Not only do



such attitudes conspire to arrest the growth of a wholesome *civic culture*, which constitutes the basis for public participation in democratic governance; they also wrest from government much-needed cooperation from ordinary citizens in the fight against corruption and organised crime. A *culture of impunity* and ethical indifference, in all too many countries, as well as lack of competence in addressing the symptoms of lawlessness account for our slow progress in dealing with this malady. One only has to look at the number of “failed states” around the world today to realise how pressing the war on corruption and crime has truly become. What we need to remember, however is that, to win this war, we must restore the confidence of ordinary citizens in the core institutions of government.

### **Restoring Public Trust ... reinforcing the capacity of governments to lead**

Restoring public confidence in the institutions of government – like also rebuilding confidence in market institutions – is a multi-faceted effort. Arguably, it starts with *leadership*, which comes in different types (integrative, transformational, as well as entrepreneurial, cognitive and administrative) but always sets an example; an example which inspires and builds a sense of confidence and security in the citizenry (G. Fraser-Moleketi, 2005; J.M. Kauzya, 2009). In the diversified, multi-cultural societies, in which most of us live, one facet of good governance for which we look to government but also to civil society to address is re-inforcing *consensus* on major issues of policy, reducing the level of conflicts and bridging the divides that separate communities and segments of the population. It needs to be emphasised, on the other hand, that in the global village, which Earth has now become, no country can be an island and governments, accordingly, must actively cooperate in global and regional governance.

Good governance and government, in our own days, look both *inwards* and *outwards*. It cannot be denied, however, that still a number of governments and public servants may not be well prepared for these responsibilities (A.M. Slaughter, 2009). Our knowledge of the world and of pressing global issues to which we must turn our attention is often less than adequate. The deep financial crisis, which has engulfed the world, is only one of many which governments must deal with, though, arguably, the roots of many of these crises lie far-away. Take climate change, for instance, which may be generated by emissions in one country but threatens to submerge the coastline, atolls and islands at the other end of the world. Somehow, we need to equip our governments, as well as civil society, with knowledge, information and skills to grasp the multiple facets observable in issues which now are truly global, and thus to comprehend them in all their vast complexity.

This brings me to the notion of *capacity development*. It represents a major challenge to all because, without a doubt, it is a basic requisite of democratic governance, as well as of efficient, effective and accountable government. We owe to Virgil the verse which has become the motto of the LSE, our partner in this exercise:

*“Felix qui potuit rerum cognoscere causas”*

*(Happy is the one who can fathom the causes of things)*

More than ever before, it is necessary, together with the leadership which we have just evoked, that we equip our governments with capacity to “fathom the causes of things”; discern the sources of problems, however far away. This more than anything else entails intellectual curiosity. It calls for command of the knowledge that governments require in complex problem-solving and formulating policies that stand the test of time. *Critical choice capacities* belong to the core of government. They are a precondition of democratic government. They cannot be

*outsourced*, though governments may opt to enlist the advice of experts – both foreign and domestic – to assist in completing the task.

*In-house, home-grown* capacity to make the critical choices, that really rest with governments, needs to be accorded priority. Nurturing such capacities is one of the principal thrusts of the UNDP governance programme. Moreover, it is obviously a major concern in any sustainable drive for public administration and public service reform. Perhaps more than anything else, in public sector reform, we need to emphasise the *centrality of capacity*, that is of relevant knowledge, high-level skills, integrity, and commitment to the pursuit of the public or general interest. We need to arrest the erosion of the past three decades; recast the public service as avenues of choice; revalue merit, excellence, training as life-long learning, commitment to service and ethics in the whole scheme of things and to restore *professionalism* to the pinnacle of values.

Although it would be perilous to generalise, there is reason to believe that all the above concerns ranked relatively low in the order of priorities of NPM-inspired Public Administration and public service reforms. Related to this tendency, a persisting cause of failure – certainly lack of success – is the dearth of true professionals in the Human Resource Management and Development (HRM & D) fields. For years, our universities and public service institutes have been conducting courses and issuing diplomas in HRM & D. And yet the erroneous concept that “any one can do it” continues to prevail, depriving personnel offices, world-wide, of duly qualified and competent HRM & D professionals. To avoid repeating mistakes, “*one size fits all solutions*” and the perils of outsourcing, we need to develop capacity for public sector reform and Human Resources Development *within* the public sector. Likewise, we must reinforce capacity for sound governance *in* government.

Developing capacity for policy-making *in* government represents -- *with good governance* -- a top generic priority. There are certainly other areas whose relative importance to many regional countries and beyond has placed them at the core of UNDP concerns. These include economic concerns, the reduction of absolute poverty, (K. Haq and R. Jolly, 2008: 63-87) climate change, gender equality, empowering of the poor and vulnerable groups, improving centre-local relationships, access to information as a necessary prerequisite to effective citizen participation, enhancing productivity and public sector performance through e-government application and, last but not least, enhancing virtue ethics, integrity in public life, an issue that has served as *leitmotif* for this Keynote Address.

Perhaps, the time has come to conclude this Keynote Address and open the floor for discussion. In spite of what was said, we need, in summing up, to inject a word of caution. Taking our cue from Virgil – or from the LSE – and looking for the *causes* of the world's current predicament, we must avoid the danger of generalisations. Nor can we attribute blame exclusively on the policies assiduously promoted during the 1980's and 1990's though, to be sure, they bear their share of responsibility. Only, one thing is certain; that in this changing world we should do our part as governments, as global organisations, as well as civil society, to shield the body of citizens, the vulnerable especially, from the effects of crises. We need to try to break the tidal waves as they come crashing upon us; indeed to use the energy that waves and currents produce, to benefit all of humanity. This, in the last analysis, is ultimately the goal of good democratic governance.

*Mr. Chairman, Mr. Minister, Ladies and Gentlemen,*

### **Through Crisis and Adversity to Public Service Reform**

My first contact with government; what you might call my *Apprenticeship in Democratic Governance* took place in my own country, the Republic of South Africa. It started at the downfall of the Apartheid regime which, as you know, coincided with the rapid decline and dismantlement of the Former Soviet Union. You hardly need reminding how challenging the times were that we had to face; how very grave the risks; how intricate the problems. In the balance stood not only the success of an experiment never previously put to the test, but peaceful coexistence under the rule of law and, arguably, democracy, indeed the very future of the Republic itself.

The stakes were very high. The path we chose was uphill, meandering through the ruins of the Apartheid regime. It brought us face to face with daunting tasks required to effect the transformation of pivotal structures of government which had been given shape under different circumstances, for totally other purposes. Construction, brick by brick, of the new public service was such a critical venture, where *failure was no option*, because so much depended on its success.

To accomplish our objectives we chose the paths of *governance with government*, the democratic paths of close cooperation, consultation and conflict avoidance. We called it *Batho Pele*. We invested our faith in the people; in partnerships between elected leaders, stakeholders' representatives and competent professionals. We trusted these professionals – our public servants – to advise us and to assist us; to steer the reform process, often through treacherous waters; and call us back to reality, whenever we strayed. My recent field visits, which took me through

several countries not only of Eastern Europe, but also of East Asia and parts of the Arabian peninsula, brought back to mind those days of challenge and adversity. The problems that the crisis and meltdown of the markets have carried in their trail substantially part ways with those my country faced during the 1990s. However, there are commonalities which are well worth exploring. As in the past, the challenges confronting us, or likely to confront us during the coming years, will call for methods, strategies, tested approaches and values which obviate the perils that stand in the way of success. Of course, they are none other than those of cooperation, moderation, mediation, conciliation, consultation and accommodation; the very structures and processes of an accountable government in democratic governance.

In situations of crisis, the temptation to veer to extremes and listen to the sirens of populist demogery are all too real to ignore. So are the perils arising from “going it alone” on the mistaken theory that “begging your neighbour” will somehow save your skin. It has been rightly argued that the future, the poor and the children are those without a voice. At the recent 53<sup>rd</sup> session of the UN Commission on the Status of Women (New York, 2-13 March 2009), there were many who apprehended an attempt to roll back gains that took decades to accomplish. In spite of pressing needs, on all too many fronts, we ought to guard against the possible temptation to trample on the rights of vulnerable groups, the voiceless and minorities. Nor should the current crisis provide us with excuses to ignore or to forget some “*Inconvenient Truths*” which the World overlooked to its peril.

There’s simply no belittling the gravity of the crisis. But challenges and crises carry the seeds of progress; the promise of opportunities and prospects for reform. What marks and makes the difference between the path of failure and that which leads to success is, arguably, none other than democratic governance *with* an accountable government taking responsibility for what need

to be done. Manifestly, what needs to be done is not the same in Poland, as in Albania, Estonia or Kyrgyzstan. The impact of the crisis is not the same in all countries; the means at their disposal to cope with its effects are surely very disparate. *One size does not fit all*. And yet, a vast potential for cooperation exists. It lies where needs converge; where sharing among governments and other regional partners is likely to produce beneficent results and *value added* for all. It encompasses research, areas of in-service training, technology, e-government, policy advice and know how on public service reform.

A crisis, any crisis, in any part of the world, calls for leadership and vision. It demands that we pay heed to the need for solid structures, as well as for a competent, responsive and professional public administration. This underlines the urgency of capacity development, institutional reinforcement and human resources development. We must arrest the erosion which has become a trend in all too many countries, afflicting public services. We must combat corruption which paralyzes government; sows the seeds of disaffection and unrest. Last but not least, we must create conditions which favour the rebirth of *probity and professionalism* in all of public life. There are tasks in this direction in which our paths converge. Think of information-sharing, knowledge of tested practices and technological tools. Of course, we are well aware of past abuse of terms and gimmicks like “best practices” -- or “what works best”, “what doesn’t” -- (“Works best” for whom, how long, when, where?) In this time of crisis, however, there’s certainly no need to reinvent the wheel. Not only is cooperation required in crisis management; it may prove indispensable in public service reform. Experience, both in Europe and the United States, in the wake of the Great Depression, demonstrates the many dangers which crises of this magnitude may well bring in their trail, but also the opportunities to which they could give rise. It was the Great Depression and post-war reconstruction that furnished the inspiration and

motivation for public service reform, the Marshall Plan in Europe and the development programmes with decolonisation in other parts of the world. They prompted the beginnings of technical cooperation on a grand scale and strengthened the UN. That's where our paths converge, although they may be different. And this may be our chance; one that we must not miss.

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