

## **FIRST THINGS FIRST :**

### **Sustaining Political Will for Public Governance Change**

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#### **Summary**

Crises and crumbling states have demonstrated time and again, and dramatically, the vital need to pay enough attention to public institutions. That is before the difficulties strike. Without basic public governance capacity responding to today's and tomorrow's needs, effective policies and programmes addressing the public interest cannot be put in place, we lay waste the World, and people suffer. First things first then.

Today, in the foot hills of the 21<sup>st</sup> century, these truisms have never been so valid, and the need for authoritative, expert, indeed for visionary attention so acute. That means not just technocratic capability, but political attention and will, which must be sustained, in order to ensure the purposefulness, strength and adaptability of the institutions required to tackle the daunting combination of problems now facing individual countries, and the planet for the very first time.

This paper first summarily develops this problematic as the premise for what follows. It makes no systematic attempt to define what is covered by public governance and public institutions --- this varies from country to country and the traditions and perceptions prevailing in each, but briefly lists some of the key governance needs in today's context. The basic issue addressed here is nevertheless shared by all: namely that there is little professional or personal interest for political actors and decision takers to see needed institutional adaptation and reforms right through until they have been realised. For progress to be made on this front, more vigorous pressures and incentives to modernise in time are needed than exist at present. The paper goes on to make the following nine proposals for helping to address this central difficulty, which tends to hang out of sight in the shadows, but which fundamentally undermines our capacity to govern.

1. *Maintaining an Agenda*
2. *An Independent, Neutral, Worldwide Voice*
3. *Reformers' Peer Circles*
4. *Comparative International Information and Indicatorsve.*
5. *Cross-business Advisory Board*
6. *Foundations Forum*
7. *Media Reflection and Action Group*
8. *Exchanges on Training for the Young about State Institutions*
9. *World Renowned Award*

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**Public Governance Today is confronted with as Daunting a Set of Complex, potentially Conflictual Problems as was ever Faced]**

Three categories of problem may be identified. First, what might be termed “**classical problems**”: governments at their various levels must continue to perform their regalian functions, make policy, draw up programmes, and deliver services in the fields in which they have progressively become involved, from international relations and defence to education and social welfare. These areas are of course never static but constantly evolving. In addition to new priorities and needs emerging, changes in conditions or context in one area may well affect many other domains as is manifestly obvious in the current financial and economic crisis. Whether the situation is new or old, one question is a constant: are the established institutions still valid, especially as regards the basic programmes to address poverty, health, and education?

A second category might be classified, for want of a better term, as the “**hard front edge problems**”: those which have crept up on us, or only been properly recognised in the last decades. Taken together they constitute a paradigm change in terms of the challenges which governments face, and the new functions to be performed. Some of the most important are:

-- *the complexity and accelerating speed of scientific and technological development*, where, among many other factors, the move to contract out public responsibilities (particularly in defence) has almost certainly weakened the ‘technological literacy’ of public institutions;

-- *the exponential application of communications and information technologies in particular*, which have provided new opportunities for carrying out the business of government, and markedly new functions for officials and decision takers, but which have also raised difficult questions of relationship to citizens, civil society, external partners, and importantly the fast evolving media scene;

-- *the growth of inequities and income disparities, within and across frontiers, in a world of ever more visible wealth*: Ensuring and administering equity remain a key value for all government administrations. More than ever here, Professor Yehetzkel Dror’s telling phrase in his Club of Rome report on the Capacity to Govern remains valid, that our rulers must approach their duties not in terms of *raison d’état* but with “*raison d’humanité*” as the first criterion.

-- *the multiplication of international interdependencies*. Practically no area of government activity today does not involve international contact and negotiation, whether bilaterally or multilaterally. All countries today must gear up so as to play an effective role in intergovernmental bodies, and not lose out in global rule setting. This applies especially to smaller countries since paradoxically they can be more influential than in the past. Understanding the position of other countries --- what might be termed as international empathy -- - and ‘where they are coming from’, historically, culturally, socially etc has become a necessity. The requirements on this front become even more

critical in the context of the huge movements of people globally across national boundaries whether as refugees or migrants, and the propensity for racism, religious intolerance or inter-ethnic tensions which often follow. The fact that conflict, as much internal as external, has taken on new forms often with spillover across national boundaries faces countries with problems where the solutions are rarely evident. Increasingly also, countries are perceiving that they have a solid national interest in how well other countries right across the World, whatever their size or perceived importance, govern and administer themselves. As the famous poem by John Donne goes:

“No man is an island entire of itself, every man is a piece of the continent, a part of the main .....  
and therefore never send to know for whom the bell tolls; it tolls for thee.”

*--more than any other factor, the now widely perceived acuity of the full range of existence-threatening problems* underlines the radically new dimension of the governance challenges facing us. How we deal, at national level, but above all at global level with nuclear proliferation, global warming, environmental degradation, diminishing biodiversity, uncontrolled urbanisation, energy choices, water and food shortages, deforestation or the danger of pandemics, is self evidently crucial to our future existence. The fundamental question becomes in this context: can we develop the right public institutions and governance processes at the right levels, with enough consensus, to get our act together, and in time?

A third category of problems which governments, civil service managers and governance reformers must address, are what might be called ***the ‘Backstage’ problems*** because they are ‘softer’, more intangible, yet deeply rooted. They are the endemic problems stemming from the character of governments themselves and their administrations, and natural reluctance to change ‘time honoured institutions’. Such bureaucratic inertia may stem from many sources: the weight of history and ‘cultural’ tradition, inadequate resources, disbelief in the value of changes proposed, ideological opposition, loyalties distorted by administrative rivalries or over-close relationships with special interests, or just plain uncertainty about what to do. But they can also be rooted in outmoded perceptions of authority, hierarchy, the nature of public duty etc, as well as more reprehensible class or ethnic distinctions.

The central management agencies themselves, which have direct responsibility for the health and relevance of public institutions, and which must act as change agents may themselves be sources of weakness. They may be at odds with each other, and lack resources. They will often be unpopular, and considered to be ill supported politically, inconvenient, incompetent or ignorant, and their officials to be of lower quality. The fact that the media is seen though much of its reporting to be corroborating such views is a further undermining factor.

In those countries which have had recourse to external support and aid for improving public institutions, whether bilateral or multilateral, it has become increasingly clear that it is a domain where it has proved particularly difficult to make

substantial headway. Now much more widely recognised, that realisation has in itself tended to exacerbate the problems.

### **Key Capacities required**

To meet this unfolding context, public governance capacities must continue to be able to demonstrate the basic qualities of professionalism, authority, probity, and accountability. But since institutions are not static although often treated as such, at all levels, even in normal times, they frequently require adaptation or re-creation. Many states recognise this and have launched ambitious governance reforms. In states struggling to emerge from crisis, natural disaster, or prolonged conflict, rebuilding offers unrivalled opportunity for fresh institutional initiatives, but where a central challenge is to focus on sufficiently few realisable changes.

What capacity needs stand out in today's unfolding context? *At the level of world public governance*, there exists an expanding requirement for competent institutions and processes to analyse, agree, preempt problems, regulate, monitor, arbitrate or sanction. But the processes for reviewing the needs and developing such institutions are frequently at the mercy of big power relationships, and in any case are insufficiently systematic, and may often be driven by events, or narrow bureaucratic interests. In this context, intergovernmental organisations will always be players, but can as well be competitors as facilitators. Nevertheless, the groundbreaking development of the European Union, the important potential of other regional initiatives, the long established OECD example of progressively learning to speak the same 'language' across economic frontiers, the constitution of G20 have at least opened up channels of communication and negotiation on which it is surely possible to build.

*At subnational level*, roles and responsibilities require constant adjustment as a function of the socio-economic structure in each country. In some countries, there exist well established processes and fora for doing this --- Australia, Germany, Spain, but too often, change, or lack of it, on this front reflect political opportunism, power struggles or arbitrary fiscal adjustments.

*At the level of the nation state*, as well as deliver essential public policies and services, governments must if anything, increase their investment in being able to:

- think long term, and be prepared to foresee and deal with the unknown, the unpredictable and the inconceivable.
- adopt genuinely all-of-government integrated approaches, problem solving, policy development and programme delivery;
- better select the instruments for implementing public policies and programmes;
- interact internationally.
- protect constitutional checks and balances, social capital and the proper purview of politics;
- develop their concepts of democracy as a function of evolving situations and cultural context, for example in building up fora, as an extension to current democratic practices for interacting with, and balancing special interests
- have the flexibility and the mechanisms to ensure that governance institutions are adapted/created in time to meet new problems as they emerge,

-- ensure markedly better knowledge and understanding across the population, of what the public interest is and the values to be upheld are, what governments do, and what the responsibilities, as well as the rights, of citizens are.

This is a very tall agenda, and cannot be done without the full weight of government authority, demanding equally full political commitment.

### **The Perennial Problem: Sustaining Political Will and Capacity to Reform**

In meeting this agenda, a first difficulty is that the resolution to effect necessary changes tends to be galvanised only when crisis strikes (witness the current economic situation). This can be turned to advantage since needed change may be more readily acceptable, as was the case in recent times in such countries as Finland, New Zealand, Portugal, Sweden, UK. A similar advantage may be drawn from important constitutional developments such as joining the European Union (eg Austria) or introducing major devolution (Denmark, Spain), or regime change has happened in Central and Eastern Europe. There are familiar dangers to be avoided in these circumstances, such as inadequate preparation, precipitate action, biases, insufficient coordination or consensus, etc.

A second difficulty is that change is not cost free either in financial terms (at least initially), nor in the attention time and energy of the administration. It can therefore quickly become a victim of the economic conjuncture, social disruption, or political developments. Countries which have had difficulty on this front include France, Greece, Italy, and Mexico. Canada had to introduce many reforms before successfully moving ahead.

Some bigger countries face a kind of 'psychological' difficulty: these are countries which became administrative 'models' or reference points for others, and have that much more of a problem in questioning or 'escaping' the established system and culture --- France, Germany, Japan, US.

More generally, many governments do take office recognising the problems, and do introduce potentially valuable institutional reforms. But to be successful, there has to be the political will and tenacity to stand up to hostile interests, and to sustain them, over years, not months. The general public has little interest, and without visible progress may quickly lose the little it has. Unless there is drama to report (usually involving 'bureaucrat bashing'), the media will display little interest. Bureaucratic interests, either turf protecting or predatory, may quickly surface. The mass of public servants are unlikely to put themselves in question, or to want to change themselves, and may become an active source of opposition, or simply remain inert.

The political authorities, who have many other pressing problems to address on their plate within their respective portfolios can thus become understandably discouraged. Moreover in today's climate of immediacy, quick shifting ministerial mandates, shortened attention time, and single soundbite communication, soldiering on with unpopular, complex long range institutional change has little attraction either for individual ministers, or (importantly) the prime minister, or, for governments as a

whole, or even for parliamentary bodies. In short there are few votes to be got on this front, so why should any ambitious, talented politician pursue what they perceive as a lost cause? While there have been some notable exceptions, a majority of countries has directly experienced this fundamental problem. Nor is this just a contemporary phenomenon as Alexis de Tocqueville bears witness, “the most dangerous moment for a bad government is when it begins to reform”.

### **Ways to Sharpen Political Interest**

The nub of the question thus lies in how to sharpen political interest in, and commitment to introducing and sustaining needed changes in public governance? One answer is explicitly to combine institutional reforms with high profile public programmes, like decentralising management of public health services, or, empowering municipalities to address the specificities of multi-ethnic communities. In such cases there is then a dual policy interest, with a correspondingly greater chance of obtaining visible results earlier on.

Another route is to spur political resolve by bringing to bear external pressure, and incentives. Such pressures may stem from user interests (business, civil society, citizens, etc); or, come through professional attention from special commissions, think tanks, study centres, international organisations; or through peer pressure by exposure to other countries or to comparative information and analysis.

The remainder of this paper tentatively sets out ways, in no sense original, of adding to the power of such pressures.

### **Professional and Peer Pressures**

Professional pressures are those brought to bear by institutions or individuals working directly in the field of public governance, public management and public administration or which are engaged in studying them. This is not an exclusive list, since there are of course others than those referred to below, which have vital or potentially strong voices such as intergovernmental bodies like the World Bank, the United Nations, OECD, the EU etc, the unions both internationally and in different countries, and a whole range of specialised research and study centres. The important question always is the power and legitimacy of the ‘Voice’ at any one time, and the degree to which it may be perceived to be pushing its own private agenda.

Peer pressure, widely developed and effectively practised in for example the OECD has become an increasingly useful tool because countries are placed on an equal footing, interaction is between colleagues sharing the same kinds of problem, and the pressure comes acceptably from outside, and can thus be exploited (or rejected) less confrontationally.

#### ***1) Maintaining an Agenda: Independent National Councils to fix government attention on priorities for public governance change.***

Change and reform of public institutions may be introduced because this is part of a government programme, or have been identified in advance by political party think tanks or by special commissions or be seen as part and parcel of a

sectoral policy programme, or be formulated in response to urgent need. The origins vary considerably. Problems may arise when the scope is focussed too narrowly, other changes in parallel are required, or, it is overtaken by other priorities, or failing political consensus. While some countries have demonstrated an admirable continuity of purpose (Finland, Netherlands, New Zealand, Portugal) in pushing through substantial reforms, in many others, the approach has been more opportunistic or good intentions have been undermined or marginalised or again simply cancelled. Whose function then is it to call the polity to order and recall that the problems remain to be addressed?

There is always the public service itself, and they have often been conscientious promoters of necessary change, but they are unlikely to be willing to introduce changes against their own interests, and may in any case be perceived from outside as being suspect. Certain bodies do however provide an authoritative opinion on the functioning of public institutions. Ombudsmen's annual reports signal administrative or service delivery malfunctioning, and this has long been effective in Sweden for example because of the attention given in Parliament. National Audit Office Reports have progressively become a more powerful voice ranging from the US/GAO to the French Cours des Comptes and the Offices in Australia, Canada, and the UK. However their influence (and sometimes staff numbers) was cut short somewhat when some of them were perceived to be trespassing on to political decision takers' ground by making judgements about the actual choice and worth of public policies. Annual Reports on the public service submitted to prime ministers, governments or parliaments (Canada, France), and made public, provide another vehicle for raising institutional matters. The budget process also provides a mechanism for pinpointing matters requiring remedial action (US).

In some countries, there exist important institutions which provide an occasional perspective, often long term, and not necessarily government impelled, of institutional requirements. The Netherlands Scientific Council for Government Policy (WRR), which assesses public policy needs often in a long term perspective is a case in point. A similar role is played by the now permanent and dynamic Finnish Parliamentary Committee for the Future. The French Conseil d'Etat (Council of State) provides in depth reports to the President from time to time on the functioning of the administration.

The problem with all of the above procedures is that either they are only partial in their remit and coverage, or that they are insufficiently public, or that they cover many other questions and certain proposals get 'lost', or that they are simply not regular. Moreover the level, degree and time span of government attention to such reports may vary considerably, politically inconvenient proposals can get lost, and recommendations may not always be consistently followed up.

However, governments can find independence a useful weapon or protection as has been amply demonstrated by the move to independent central banks and control over monetary policy. In the field of fiscal policies, the last decade or so has also seen a whole range of institutional initiatives to rein in government temptation to over commit on spending or tax reductions. Greater transparency and shared awareness have been one such aim through accrual accounting or long term budgeting, and in some cases like the New Zealand Fiscal Responsibility Act or the

Australian Charter of Government Honesty required regular mandatory disclosure of the fiscal position. Legally binding ceilings are another tool as experimented with the US Gramm Rudman legislation, and now the German constitutional provision to limit the structural budget deficit to 0.35% of GDP from 2016. The British Conservative Party is currently proposing to create an independent “Office for Budgetary Responsibility” to assess the Executive’s budgetary plans, which smacks of the US Congressional Budget Office.

In the light of these examples, and given the extreme importance of having effective public institutions, and the intrinsic difficulties of bringing in change, *one response is to establish an independent national council.* Such a Council would report annually to the head of state, the head of government and to the legislature on the state of public institutions and public governance, Its reports would be public. They would be able to draw on many of the authoritative sources cited above, where they exist, but would make their own judgements on needs and priorities. The objective would be to draw up and maintain an ‘agenda’ of domains for reform, which in their considered view must be addressed. To ensure due attention, there should be mandatory consideration within a specified time frame by the legislature in plenary, or in a specialised committee.

How should such a Council be composed? It must necessarily consist in part of senior members of important central institutions, but there should be a majority, of at least one, of completely independent experts, and chaired by one of them. All members would nevertheless be nominated as individuals (and not representing their organisation), be appointed for a fixed term, and on a staggered basis. To give a taste of a possible composition, institutions in France from which to draw on their knowledge and perception of public affairs, in addition to independent personalities could include the Constitutional Court, the Council of State, the General Secretariat of the Government, the Directorate General of the Public Service, the High Council of the Magistrature, the Economic and Social Council and one of the local government bodies. Ministries as such should not be involved.

A variant on this, involving some sacrifice in independence, but perhaps gaining in acceptability, would be for such a council to be chaired by the prime minister or his ministerial undersecretary. A further variant, relating to the content of the work, and the unfolding world context, would be to assign the council the task of monitoring the needs and proposals for international governance as well. At all events, the council should have a small permanent expert staff directed by a top professional in the field, and for which, like the Council itself, appointments would be on a fixed term basis to avoid routinisation.

With such a body, the institutional agenda would be firmly on the table. Then it would be that much more difficult for the political class to escape its responsibilities.

**2) *An Independent, Neutral, Worldwide Voice: providing authoritative informed views with no strings attached.***

There are a very large number of bodies already at work around the world which provide information, analysis and recommendations on public governance. These range from the big intergovernmental bodies like OECD,

the World Bank and the UN, to specialised institutes, national or international like EIPA and IIAS, professional associations, foundations and study centres, exclusive professional circles, or university departments. There are conferences to attend throughout the year and the written output is immense.

An obvious difficulty is that this plethora of 'voices' tend to drown each other through sheer weight of numbers. Many provide only a partial or specialised viewpoint on issues, or are limited geographically. Some suffer from what might be termed as the 'look-who's coming through the door' syndrome, in that such bodies are perceived to have their own agendas or 'models', and however valid what they have to say, it may be written off in advance. Both the World Bank and the OECD, for instance, have suffered from such perceptions. Other bodies suffer from the stigma that they represent the views and policies of particular governments, or their aid agencies, and are at once suspect.

Yet more than ever, all around the World, we have a direct interest in how each of us governs. Already for that reason, there is a requirement for what might be termed "international empathy". To do business with each other, we must be able to appreciate the need to understand where our interlocutors are coming from, their history their governing culture, how decisions are taken etc. If there is understanding of the underlying dynamics of our respective governing systems and administrations, and if individual country authorities can interact on the same footing away from donor/recipient relationships or hasty judgements, it then becomes easier to build international cross-cultural communities to address common difficulties, we can learn from each other and share important values, That is a discreet form of pressure.

Thus, it may be argued that there exists a continuing need for a strictly neutral and apolitical forum, which 'threatens' no one and has no built-in agenda of its own, which is universal, which 'listens' to each national situation without prejudice, which reflects on intrinsically difficult, shared problems, and which brings different disciplines, professions and backgrounds together to address them from the same side. As a resource for mutual learning, and repository of experience, it would perform at least three important functions:

- scan ahead and provide an observatory and 'watch' function through an annual report and independent expert statements on 'front edge' issues and developments, priorities demanding attention in specific regions or countries, or institutional requirements for international regulation or administration;
- promote study and exchange of promising practice on how to develop administration to handle major cross government public policies such as for climate change or control of pandemics;
- act as a stimulus to countries or regional groupings through analysis, comparison and evaluation of selected experiences and innovations;
- seek out ways to address the political level as much as the range of practitioners, and develop the channels to do this.

It could also, if so requested by individual countries be a source of neutral outside support.

It is difficult to imagine in today's circumstances, that some entirely new institution could be launched to perform these functions, but there exist bodies, which could develop in that direction. To give three examples: the United Nations is formally neutral, has the appropriate mandate including Millenium Development Goals, and already does some of the tasks alluded to. Yet it could do a great deal more in this field to galvanise the right people, develop its modes of action, attain a different level of consciousness, and adapt its outputs and communications accordingly. The IIAS itself potentially has both the mandate, composition and neutral institutional status, but currently does not command the necessary resources. The World Bank, because of its resources, worldwide contacts and the extensive work already accomplished in this area is potentially a very strong player. But this would be on the provision that it could successfully promote a subsidiary institution which is seen to be independent and in no sense linked to conditionality.

In summary, such an institution, or forum, could be defined by the following key characteristics: *Authoritative, Global, Organising, Responsive, Anticipative* (or "AGORA" in short, after the Greek).

**3) Reformers' Peer Circles:** *interaction and mutual support between high ranking peers.*

Today's working conditions for all those occupying high posts of responsibility and decision taking, whether top officials or ministers, are markedly different even from those of two or three decades ago. Among the many factors at work perhaps insidiously difficult is the tension between information overload and the expectation that all relevant information will have been taken into account. Tasks must be performed at a faster rate, with markedly less reflection and turn round time for each. The relative priority of tasks may often have changed, for instance more time each day to following and dealing with the media, coordinating with foreign partner governments, or dealing with a plethora of civil society and interest groups. Thus in a faster moving, more complex and more competitive environment, there is greater vulnerability to stress and professional 'solitude'.

One reaction to this is that some governments have instituted short seminars for all ministers on key policy topics (France). At the level of the civil service, countries organise regular retreats for civil service heads of ministries (Australia, Canada, Denmark) or weekly meeting and presentation sessions. These events clearly facilitate reflection and collegiality, and in that respect are positive. However their efficacy may be lessened somewhat in that each of the individuals is doing a different job, and some of them may well be perceived as professional rivals.

This is where international fora can be useful. The experience of the OECD, for example, in establishing networks of senior officials, meeting at least annually around an agenda of shared issues has demonstrated very clearly the interest in meeting one's peers occupying similar posts in other countries, and who are in consequence not a political or bureaucratic 'threat'. The upcoming 2009 meeting of top officials from prime ministers' offices will review the problems of dealing with

crisis, balancing policy responses, and, long term reform. The June 2009 meeting of Senior Budget Officers celebrated their 30<sup>th</sup> anniversary, and discussed budgeting and the global financial crisis, long term fiscal projections, tax expenditures and budgeting for natural disasters. As a measure of demand that network has now spawned similar networks meeting annually (likewise organised by OECD) in every continent.

As is widely appreciated today, the value of these networks is the opportunity to talk things through in a non negotiating situation both in and out of the sessions, and thereby to help formulate, or reformulate the issues to be addressed. They can offer fresh ideas some learning, and knowledge of other countries' useful experiences. Importantly they provide mutual knowledge of how things actually work in practice in partner countries.

Two proposals are made here. **First**, is to constitute a *circle of former reformers of public institutions* consisting of individuals who have held high responsibilities for formulating, introducing and managing major institutional change programmes. The Circle could consist of a mix of former ministers and top officials, and could number 12 – 15 members initially. The principal purpose would be to act as a pool of experience and expertise, from whose members some could be detached to exchange and dialogue with their opposite numbers in any country (or even a group of countries) wishing to consult with others when introducing institutional reforms. They would be working together as peers, from a strictly neutral standpoint, and informally behind the scenes. They would not a priori constitute a threat politically. There would naturally also be advantage in bringing this group together from time to time in order to build up knowledge of their composite experience.

The **second** Proposal relates specifically to the political level. Now that the Global Forum on Reinventing Government (if it continues) has taken on such an all-inclusive role with almost limitless participation, there is room for a more modest kind of initiative at political level. The idea would be to encourage/sponsor the *formation of small circles (10-15) of ministers* responsible for the renewal of public institutions in their countries, to come together as informal reflection groups. They would review one, perhaps two issues over a 24 hour period without the need for negotiation, publicity etc. The purpose would be to have an exchange, the opportunity to step back and reflect on how best to handle the issues selected in relation to the public interest as seen in their respective circumstances. But it would also be an occasion to reflect on their jobs, to be able to share views and experience between peers, and thereby help overcome the sense of isolation, which frequently comes in such posts, as well as act as a stimulant for fresh ideas and initiatives in an acceptable environment free of advance expectations.

The kind of Forum outlined in Proposal No 2 above could be a discrete promoter of both such groups, which should be seen not only acting as a nuanced form of pressure, but also as an incentive to action.

**4) *Comparative International Information and Indicators: as an aid to transparency and incentive for improvement and initiative.***

Indicators and comparative information on many aspects of governance already exist or are in the making, and are produced by different international institutions. Examples include the World Bank's Worldwide Governance Indicators (6 dimensions of governance) and the UN (e governance in particular). OECD is about to produce this Autumn, "Governance at a Glance" (7 dimensions initially). Transparency International's indicators of corruption levels has steadily gained in reach and credibility, and are flanked by those of Global Integrity. The World Economic Forum produces authoritative ratings of progress on the Millennium Development Goals. Some bilateral initiatives have been undertaken to work out how countries could compare themselves (Canada and the Nordics).

The vital element to note is that such information, means of cross country comparison, and league tables are becoming a steadily developing dimension of peer pressure. If they meet the basic criteria of being well founded, practical, easily comprehended, and agreed in advance in the framework of respected third party institutions, they offer two key benefits. *First*, they impose a degree of transparency on how well public institutions are working, which the political authorities may find more difficult to ignore, especially if picked up by partner governments. *Second*, they can by the same chalk act as a source of ideas and act as an incentive to the government to introduce reforms.

It is also noteworthy that one of the important underlying benefits which emerged strongly over the years for example in the work of the OECD was the development of a 'common language' both concepts and vocabulary, which has steadily helped improve international dialogue and empathy. This was an especially vital feature of the early economic reviews, but was no less important in the comparative information and analysis built up on science and technology policies, education systems, energy needs, active labour markets policy, agricultural subsidies, or more recently on budgeting practices.

In the area of public governance, what should the coverage be? As a basic requirement, it could be argued that four main areas of regular comparison are desirable:

- *public governance profiles*, where possible comparative, on the machinery of government, the status, extent and main characteristics of public institutions (including the degree of recourse to semi public or private bodies), key processes like policy and decision making, budgeting and regulation, and, comparative statistics on public finance and the civil service;
- *effectiveness indicators*, where the experience of the last decade should now reflect better what can and cannot be achieved on this front;
- *respect of key values* --- rule of law, responsiveness, equity, ethics, accountability, respect of the merit principal etc;
- *attitudes to government*, public institutions, the civil service, and public action both of the public and of key groups in society such as business, the unions, NGO's, or minority groups;

The *key need* however is for there to be a major source of acceptably authoritative and neutrally presented analysis and commentary of such information and indicators, which is produced on a regular basis, and has the skills to hit the

headlines, the more so if presented by a globally known figure.. The reports of the World Bank and the UN's World Public Sector Reports already go down this track, and should be developed. But if their freedom of manoeuvre is inhibited by their policies or official status, one option is for a worldwide body of the kind outlined in 2) above to draw on the range of indicators, write its own commentary, and target each year specific problem areas, and groups of countries.

## **User Pressures**

User pressures (a poor term) implies much more than the simple users of public services, but also all other individuals and groups who form part of the polity, and notably citizens, civil society, special interests. A vital challenge, now as important as ever, is to identify and implement ways to interact with them in such a way as to best represent the longer term public interest and cohesion of society, while nevertheless 'hearing' all the individual concerns in acceptable and transparent forms of dialogue. These concerns were fully developed by two of my predecessor lecturers, Joscelyne Bourgon and Gérard Timsit.

The process of interaction can also usefully act as a pressure for needed institutional change particularly when it emanates from privileged sources of information or observation. Hence the following proposals.

### **5) *Cross-business Advisory Board: mobilising, channeling, and 'Hearing' powerful pressures differently***

Businesses traditionally put powerful pressure on governments, and public authorities generally both to promote and protect their special interests. Such pressures are usually difficult to ignore, and it is often easy for public responses to be tilted in consequence. The problems may be perceived by business as being overtaxed, overregulated, overburdened with public tasks, etc. These views are represented nationally and internationally through business and industry associations, chambers of commerce and industry, small business groupings and the vast range of specific industry associations and lobbying groups. The individual and unbalancing impact of their activities has, among other things contributed to the sense of "democratic deficit" in many western countries, because of their respective abilities to skew decisions in ways that can undermine national interests or those of other groups in society.

In general the approach of such organisations has tended to be narrowly focussed, shorter term and regulation biased. However, on occasion there have been periods when for instance, an industrialists' association has broadened the scope of its interest to issues of governance more generally, and the overall capacity of the national government to perform. This has been the case for instance as regards COFINDUSTRIA in Italy, TUSIAD in Turkey, for Australia, or for some of the Nordic countries.

In the new, globalised scene of today, and not necessarily limited to any part of the world or political system, some business circles certainly recognise more explicitly that the fundamental, longer term interest of business in effective governance has increased. Whether the underlying motivation is supply and access

to oil or minerals, investment conditions, markets, or customer demand is for bio-products from countries where labour is treated correctly, etc, the reliance of business on the capacities of government is clear. At the same time, enterprises are increasingly required to undertake different functions on behalf of government, and largely at their own expense --- taxes, social security contributions, statistics, self regulation to name but a few. Because of all of these different dimensions, business associations have a legitimate view about the operations of governments and their administrations, and can usefully be listened to.

The challenge is to be able to head off as far as possible and escape from the narrow sectional interests of particular business sectors where sector, size or locality can predominate. To achieve that, governments could have an interest in overseeing the mandatory formation of a Cross-business Advisory Board, with which there would be regular consultation about the appropriateness and effectiveness of public institutions as perceived by them. Such a Board would be composed of all the main organisations in the field except the specifically sectoral. It would study and monitor developments for the benefit of all its members, agree by consensus on issues and priorities to review with governments, and interact with similar bodies in other countries.

The pay offs for business from such a dialogue would be a more structured and consensually built analysis as a basis for their negotiations in other fora, and, a wider understanding of the constraints on public action and the relative merits of different policy instruments. The advantages for governments would be to have a forum to listen to an influential segment of society, to force more consensual approaches in that sector, and importantly, to build up corporate social responsibility as part of the wider need for solidarity and social capital.

#### **6) *Foundations Forum: bringing to bear external a growing fund of expertise***

Increasingly NGO's, and foundations in particular, find themselves in the position right around the World of supplementing the activities of public authorities in the delivery of public services, or indeed of replacing them. With the considerable growth of this sector already in the last decade, and with some very big players on the scene, and a range of different kind of partnership being developed, a substantial proportion of essential 'public' services is often delivered by such private bodies. Well established foundations, for example will thus have an invaluable, first hand, on the ground vision of the practical realities of public governance in the countries where they operate. Thus if sufficiently low key, and modest in their approach, they could potentially be a useful interlocutor for governments.

Given this advantageous position of foundations, and because of the dramatic mismatch between the worldwide problems to be faced and much of the public governance infrastructure, it is proposed that likeminded foundations group together to promote and support governments in bringing in needed institutional changes. The purpose will be to provide discreet pressure backed by practice based ideas so as to help legitimise and strengthen the hand of government reformers. How much they can say or propose; or how much they can provide in moral or even material support will obviously depend on individual circumstances. Proposals for improving global governance can of course be stated more forthrightly.

As a start, it is suggested to *establish a Forum* within a continent, or possibly across continents both of foundations which have specific experience of providing support in public governance improvement, and foundations, which through their different programmes have authoritative views about needed governance improvements. The tasks of such a forum would be to identify priority targets according to levels of government including the global level; build up and pool knowledge of different foundations' experience in the chosen areas; agree on a process for developing an authoritative analysis and position; and, select how best and in what form to communicate and pitch each message whether to particular countries or groups.

**7) Media Reflection and Action Group:** *responsibly speaking the unspeakable, reporting the innovative, and, praising the positive.*

The power attained by the media in public affairs is now recognised by all. Indeed the question of how best to relate to the media is one which each government has to handle, and which all administrations have to organise for. Two elements in that relationship are of particular relevance here: the fear of negative reporting (so often justified); and, the general lack of interest by the media in the inherent difficulties of managing and improving public institutions, since there is little public interest in this field except in terms of immediacy and perceived scandal.

In this general context, reporting has evolved in such a way as to put elected officials and ministers in a cleft stick: increasingly they must interact with the media, and there is often a political incentive to provide 'scoops', yet they are ever more at the mercy of investigative reporting and instant 'exposure', with little or no turn round time to check, consult or reflect on the answers to be given. A further major development is the steady increase in a general climate of cynicism about public affairs, politics, governments and administrations (which affects even the public's view of the media themselves), with a corresponding loss of confidence and trust.

Many media people of course play a very constructive role, but there is the potential, varying from country to country, for them to be a much more positive force in focussing attention on the needs for public governance improvement. First of all because the media need to be able to operate freely, they have a direct collective interest in the effective working of public institutions in order that this value be protected. They are thus in a position to provide a degree of countervailing power in the polity, as well as encourage a positive attitude among citizens, and help stem the current of cynicism.

More specifically, having some especially knowledgeable, experienced and thinking people on their staffs, they are in a position to analyse, assess and advocate in respect of vital issues. Through their contacts and investigations they are able to identify and publicise useful models, approaches or experiences. (It is interesting in this respect that the 3<sup>rd</sup> leader of each day's editorial of "The Guardian" newspaper in the UK is systematically "In praise of ....." How many others do this?) In doing so, they are likely to represent, responsibly, groups of society or citizens in general, particularly those who are not heard easily, or ignored because not organised. As Dr Bernardo Kliksberg emphasised in his summing up to the IIAS 2006 Congress in

Monterrey, Mexico, performing the above functions in some emerging or developing countries can potentially, be even more telling and carry more weight.

While clearly media independence must be respected, informally they can do more than at present and arguably, our future societies will increasingly need them. The proposal then is to encourage the formation of groups of media people, both at national and international levels. They would meet periodically, if necessary with others (cf. Chatham House seminars in UK) from other professions to review issues of public sector effectiveness, especially provision of citizen services or community development, exchange information and agree informally to help focus attention on promising projects and initiatives, each from their own professional base and standpoint. They would thereby help bring informed pressure to bear on governments, and encourage those on the ground.

A further incentive for the media, would be to institute a prize for interesting and responsible reporting on public institutions.

**8) Exchanges on Training for the Young about State Institutions:** *laying the foundations of knowledge on what governments do, citizenship, and why the public interest is vital.*

Currently, schools around many countries provide teaching on current affairs, state institutions, the rights and duties of citizenship (or civics as it used to be called). The time, care and importance given to this has varied, and varies considerably between age groups, over time and from country to country. Depending on these variables, the interest in the subject evinced by pupils is very often rather low, particularly since it is usually not a subject for examinations. So, they may ask, why bother?

If the young do not understand what government is about, and why it is necessary, what the public interest is and where they come in, they risk being turned off, bored even disgusted by what they think they see. That process of disaffection can easily be reinforced by the information they acquire from the media. The results show up at election time in particular, and it is noteworthy how much there has been a general trend to decline in voting participation in many parliamentary democracies. The recent European elections have shown a steady decline in participation over the last 30 years from 60% to 43%, of whom a big segment were young people.

The long term consequence is that if there is no interest, no knowledge and no participation there will be no trust and no pressure on the political class in respect of any public activity, let alone on improving public institutional capacity, and there will be no dialogue nor interlocutors. Yet as Karl Popper famously reminded us when talking about government systems: "let us make sure above all that it remains possible to give different answers".

For knowledge of citizenship, and the legitimacy and credibility of governments to be maintained, the fundamental groundwork has to be constructed in school. How this is done, and might be done better, as well as how a movement to sustain improvement could be built up should become the subject of an annual networking event at international level. Such a forum could only be expected to achieve results

in the longer term, but in the short term it could provide a useful pooling of information, an opportunity to exchange experience and bear witness, and identification of promising practice as applied in different circumstances. Its subject matter should further not be restricted to national situations but should englobe the challenge of inculcating awareness of what international institutions do, and why they are essential.

### **The Need for Incentives as well as Pressures**

Pressures to promote action are all very well, but all too easily the skin thickens and resistances can build up. At least as important therefore are the incentives for political decision takers to risk the process of sustaining institutional reforms over the medium term. Accumulating more political power and influence through success, or acquiring increased public recognition in a variety of ways are obviously important incentives. However prestigious prizes can also be attractive. In the field of public governance, this has arguably not yet been sufficiently exploited, at least at political level. Hence, at the risk of seeming presumptuous, the proposal which follows.

#### **9) *World Renowned Award: A Nobel Prize for outstanding contributions to improving public governance***

There exist already a variety of prizes awarded for innovations or excellence in public sector management and administration. At international level, examples include the European Public Sector Award (EPSA), the UN public sector awards, the INAP(Mexico) & IIAS Latin American Prize for Public Administration, the Alexis de Tocqueville prize of the European Institute of Public Administration (EIPA), or the International Speyer Quality awards. The recently started Mo Ibrahim Award for African leaders who have demonstrated good governance, while not limited to public institutions looks to be an original and powerful new incentive. At national level, or in the academic field particularly, there are a very large number of prizes. However, the greater part of these awards are *first*, not directly oriented or relevant to the political level, (the African example is a notable exception); and *second*, they are not very well known outside the professional circles directly concerned.

The redoubtable combination of problems described at the start of this paper are such that, as Nicholas Stern, Rapporteur to Prime Minister Blair on climate change, wrote: "we are the first generation with the power to destroy the planet". The challenges in terms of public institutional development are in consequence so equally redoubtable, and so poorly publicised that there is a need today to honour those who are prepared to stand out in this field and act. Such an honour should be a prestigious, clear symbol, universally known, and be such as to cast the net very widely across the globe. The more it can attract attention, the more it will do just that. For this reason, nothing less than an award linked to the Nobel Prize process is required, as is the case with the Economics Prize.

In very summary terms, *such a Nobel Prize should reward initiatives, action and results in respect of the improvement of any important aspect of public governance*, either at national or global levels. That covers the ways by which the public interest is promoted, legislated, regulated, administered and protected, for

present and future generations. It thereby deals with all the institutional structures and organisations, processes, relationships and partnerships, as well as common values, involved in the making of laws and regulations, public policy and decision taking, their financing and their implementation.

The prize should in consequence be open to a *wide spectrum of potential recipients*, and reward anyone from any part of the World, whether dealing with their national situation or addressing international needs. It should be open to individuals, groups, or institutions (but not to political parties *per se*). Included as potential candidates are political personalities, public sector officials and civil servants, universities, thinktanks, ngo's, consultancies or individuals.

What should be *basic criteria governing the prize*? A preliminary list might suggest that a recipient would have made an outstanding contribution in respect of one or more of the following:

- the renewal or reform of public institutions at national or international levels seen in terms of the effectiveness of the results achieved;
- the development of public institutions by introducing significant innovations;
- the creation of the necessary institutional means to deal with new emerging problems especially at global level;
- the improvement of processes to build up trust through citizen empowerment and social solidarity;
- the advance of relevant thinking and knowledge through analysis, research, advocacy and publications about ways to improve public institutions.

Any of the above contributions should be documented, and should have a necessary degree of illustrative interest, and universal relevance.

### **Finishing Remarks**

There could obviously be any number of other proposals which go in the same direction. For instance, it could be valuable to bring together an *international circle of young politicians* (before they are encumbered with ministerial posts) to brainstorm the issues, as experimented in the framework of the Black Sea Economic Cooperation (BSEC). An independent *observatory of international regulatory effectiveness* could help set agendas at global level. An annual forum to exchange experience on how best to strengthen the impact of *national good governance days* (such as in Portugal or France) could have long term impact.

This lecture is an IAS event. While the Institute does not currently dispose of the resources needed to promote big initiatives, it does, on the other hand have both the necessary mandate and the institutional status required to undertake some of the proposals outlined above. It is my earnest hope that it will soon put itself in the position of doing so.

The key dimension in all of what has preceded is that we need to extend the basis for interaction and dialogue so that courageous, visionary and pertinacious people can help to move us forward towards the new public institutional capacities which evolving, indeed dramatic, new needs demand. As Keynes wisely stated: "the

problem is not so much having new ideas, but escaping from the old ones". Only political leadership can ensure that this will happen, and force the high priority needed. We must therefore redouble our efforts to get their sustained attention.

First things first!