

# **PRACTICAL PRINCIPLES FOR PUBLIC ADMINISTRATION**

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Public administration plays a central role on the Millennium Development Goals (MDGs) because they will only be achieved to the extent that the national states in the developing countries count with state organizations strong enough to promote them. In the case of the poorer countries, for which the attainment of these goals will depend on the support of developed countries through the UN system international institutions, such aid also will depend on the governance capacity of each country and particularly on the quality of the more general instrument of collective action they count with: the state organization and its public administration.

In each country, the strength or capability of the state organization depends, first, on its democratic political institutions, that make the rule of law effective, human rights, assured, and the government or administration, legitimate. It depends, second, on the quality of its public policies, particularly of their economic and social policies, which lead to the achievement of such objectives at a more operational, decision-making, level. It depends, third, on the quality of public administration, which implements these laws and policies – a public administration which, in the past, was essentially required to be effective, but that today, with the increase of social services provided by the state, is also required to be efficient. The strategic core of the government must count with professional senior civil services of the highest quality working together with elected politicians in taking government decisions. On the other hand, each government must design a decentralized state structure, and make agencies accountable for results rather than for procedures, in order to provide with efficiency the social and scientific services that characterize modern democracies.

A major contribution that the United Nations may give to its member countries is to offer a broad and flexible definition of practical principles of public administration consistent with the Millennium Development Goals. Principles that, once applied, will increase state capability by making the strategic core of the state more effective, and social

and scientific services more efficient. Given, however, the enormous heterogeneity of economic and political development of the member countries, is it realistic to try to devise such principles? I believe that the answer is ‘yes’, provided that such principles follow a bottom-up approach, i.e., that they are simple, almost self-evident, without being just common sense; that they are operational, offering practical guidance while making countries free to adopt the administrative institutions and practices that they view as adequate; and that, before being approved, they are subject to a broad discussion.

The secretary of this Committee prepared an excellent document to serve as basis for our discussion, “Bottom-up Approaches and Methodologies to Develop Foundations and Principles of Public Administration: The Example of Criteria-Based Organizational Assessment”, from now on called Bottom-up Approach Document. As it observes in its first pages, there are some principles of public administration that are widely accepted today. “These principles should include transparency and accountability, participation and pluralism, subsidiarity, efficiency and effectiveness, and equity and access to services”. Yet, the document adds, “the challenge is to bridge wide gaps that exist between the theory and practice of public administration”.<sup>1</sup> In defining the operational principles of public administration, I believe that it will be required, on one hand, to take into consideration these general principles, and, on the other, the practical requirements of an operational principle.

The document distinguishes the ‘Standardized Principles of Administration’ from the ‘Criteria Based’ approach, and opts for the second. The standardized principles face the classical problems of the “one size fits all” approach”. The criteria based approaches avoid this problem by defining themselves as sharing “a common assumption: that organizations meeting key elements of critical criteria have the capacity to be effective and high performing, even if no specific performance measures are analyzed”.<sup>2</sup> I agree with this approach, but I believe that the Committee, following this line of thinking, should additionally consider principles that are operational and structural. By operational principles I understand principles that involve a reasonably clear and pragmatic course of action. That are flexible to allow for interpretation, but are simple and straightforward to

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<sup>1</sup> United Nations’ Economic and Social Council (2005) “Bottom-up Approaches and Methodologies to Develop Foundations and Principles of Public Administration: The Example of Criteria-Based Organizational Assessment”, p. 6.

facilitate implementation. By adding the word ‘structural’, I mean that the principles will require, to be applied, some structural changes in the organization of the state – changes that are not limited to organization chart reforms but involve the type of property of the agencies executing services financed with tax resources. These operational and structural principles should be divided in three sections, referring, respectively, to state structure, civil service, and management practices.<sup>3</sup>

In relation to the **state structure**, the question is not if the state should be unitary or federal, but to know which services are supposed to be performed directly by the state, through the use of statutory civil servants, and which should the state outsource to third parties while keeping responsibility over them. In modern public administration there is a clear line of action. The state should provide directly, through its civil service, only the services that involve specific state activities, i.e., the activities that involve the use of state power, or that control the state’s resources. The other activities that the state finances are auxiliary activities, like catering, or construction, or cleaning services, that are outsourced competitively to business enterprises, and social and scientific services, which are supposed to be outsourced to decentralized agencies or to non governmental organizations of civil society but kept strictly accountable to the strategic core of the state formed of politicians and senior civil servants.

Observe that, in this structural reform, nothing is said about the role of the state: if it should provide freely or not this or that service. It only says that, once this was decided by each parliament, in each national state, the social and scientific services that benefit from the decision should, in principle, not be provided directly by the state and its personnel. The assumption behind is that autonomous agencies or non governmental organizations are usually more efficient and may be made accountable more effectively than state departments. A second assumption is that civil servants are supposed to have an ethos of public service which is not privilege of highly educated but may be found more easily among them.

This type of administrative structure of the state has a direct impact on **civil service**. Civil servants in principle are not supposed to not work for agencies, except the

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<sup>2</sup> Bottom-up Approach Document, p. 20.

regulatory agencies, and naturally they do not work for non governmental organizations. Such organizations have a double role: one of providing services, the other of social accountability. Here, the first is being taken into consideration. Yet, as the Bottom-up Approach Document emphasizes, public administration may be strengthened “by empowering civil society and non-governmental organizations to mobilize communities, use their skills and capacities to provide services, promote the interests of the poor, and hold public officials accountable”.<sup>4</sup>

In so far as the social and scientific services of the state are contracted out with non governmental organizations, the civil servants required for the state structure are few and of high level. Their role, together with elected politicians or by themselves, is to enforce and interpret the law, is to formulate new policies and design new institutions, is to control and make good use of the tax resources of the state, is to make the social and scientific services provided by the state through several kinds of non governmental organizations accountable to the administration and to society. These civil servants will constitute a senior and highly prestigious civil service. They are supposed to be hired through public competitions, be trained not only in necessary technical matters but also in the public ethos of civil services, be well paid, follow a flexible career, and be motivated by several forms of incentives. Politicians that will direct ministries or secretaries will work with this high level civil service, being allowed to bring with them a limited number of staff people originated outside the civil service.

Finally, we have the principles related to **management practices**. Two simple ideas are central here. First, that every department, and every agency, within the state apparatus, or financed by the state apparatus, should have a strategic plan – a definition of goals, their translation in targets, and the choice of the main policies that will be adopted to achieve them. Second, that every agency should be made accountable for their goals and for the efficient use of resources to achieve them.

How should agencies be made accountable? Considering that agencies are supposed to be decentralized, as we saw in the principles related to the structure of the

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<sup>3</sup> The principles that I discuss in this document have as foundations the argument developed in Bresser-Pereira (2004) *Economic Reforms in New Democracies*.

<sup>4</sup> Bottom-up Approach Document, p. 8. Note that the non-governmental organizations have two roles:.

state, direct supervision loses large part of its importance, and auditing changes from auditing procedures to auditing outcomes. Essentially, three forms of making agencies accountable are basic: management by contracted outcomes, managed competition for excellence in the provision of services, and social accountability mechanisms in which citizens' councils and civil societies' public advocacy organizations have a major role. Let me comment each one of these three forms of accountability, using the considerations in the Bottom-up Approach Document. First, management by contracted outcomes. As the document stresses, "when performance based government is increasingly the norm, managing for results systems are becoming critical links between resources and results. These systems were chosen after extensive consultations with government managers, with academics specializing in public management, and with other experts in the field".<sup>5</sup> Second, managed competition for excellence. The document correctly underlines that "public sector organizations are being increasingly expected to be able to compete with public and private sector entities in terms of per unit cost of services, client orientation, and the efficiency of resource use. One of the limitations of this approach for sound public administration is that profit maximization and efficiency of resource use are essential, but not sufficient to promote and protect public goods, such as the environment".<sup>6</sup> Yet, it is not to such approach of competing for "profit maximization and efficiency of resource use" that I am referring, but to a competition for excellence, which depend, essentially on the approval of citizens and on cost criteria. Third, the social accountability mechanism. On this matter, the Bottom-up Approach Document is incisive. Considering the principles of decentralization and subsidiarity, it supports "a community based organizations approach", in which "citizens are directly engaged through community consultations, citizen charters, and other mechanisms to articulate local and national interests, design and evaluate local programmes, and ensure that public officials are accountable".<sup>7</sup>

Since in the traditional state structure social and scientific services are directly provided by the state, all national states still count with large numbers of low level civil servants. In the process of the reforms that will gradually implement the modern principles of public administration, their rights are supposed to be respected. While new

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<sup>5</sup> Bottom-up Approach Document, p. 26.

<sup>6</sup> Bottom-up Approach Document, p. 11.

organizations will be created according to the new principles, old ones will gradually make the transition. In any circumstance, it is important to consider that “public administration may not be universal in its effectiveness, responsiveness, quality, or behavior. National circumstances and constraints must be carefully considered, as well as the avenues through which the public service is likely to consider and respond to the needs of the citizenry and key stakeholders”.<sup>8</sup>

Should these considerations be transformed in a list of principles? Probably, yes, provided that they keep the simplicity and flexibility of the above considerations. Such principles could be written in the following terms:

### **Principles of Public Administration**

In contemporary democracies, public administration is an essential tool for good governance and the achievement of the Millennium Development Goals (MDGs). According to this assumption, the Committee on Public Administration and Management for Development proposes to the Economic and Social Council of the United Nations the following principles constituting a work agenda.

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<sup>7</sup> Bottom up Approach Document, p. 9.

<sup>8</sup> Bottom-up Approach Document, p. 38.

### **Principles related to the structure of the state**

1. The state will provide directly, through its statutory civil service, only the specific activities of state, i.e., the activities that involve the use of state power, or that control the state's resources.
2. Among the other activities, auxiliary activities should be distinguished from the provision of social and scientific services. The former should be competitively outsourced to business enterprises, the later, contracted out with non governmental organizations.

### **Principles related to civil service**

3. Public administration will be based on professional and high level civil service, recruited and promoted according to merit, and trained according to the ethos of the public interest, well paid, and motivated by a variety of incentives.
4. Public officials will be committed to effectiveness of the state organization and to the rule of law while applying in a contemporary way the classical principles of bureaucratic public administration; to efficiency or the reduction of cost and to the increase of the quality of public services, while managing public services according to the practices of modern public management.

### **Principles related to management practices**

5. In a world where technological and social change is increasingly fast, public officials are supposed to be more autonomous in taking decisions, and, as a trade-off, they, as well as the agencies that they manage or to which social and scientific services are outsourced, are supposed to be more accountable to the state organization and to society.
6. Increased accountability will be achieved through the combination of the classical mechanisms of administrative supervision and auditing with the more recent methods of management by results, managed competition for excellence, and the use of social accountability mechanisms.
7. Increased accountability will be additionally achieved through the adoption of a full transparency policy, which involves extensive use of the Internet.

8. Increased effectiveness will be achieved in so far as legal institutions are well adapted to society's values and moods, and as public officials are committed to the ethos of public service.
9. Increased efficiency will be assured in so far as autonomous public officials are able to choose the means to achieve the accorded objectives, feel proud for the results attained, and are accordingly rewarded.
10. Increased efficiency will additionally be achieved by the widespread adoption of information technology.

### **Final considerations**

These principles are suitable to developed as well as developing societies, provided that they are adapted to their specific needs and circumstances. In poor and dual societies, particularly the African ones, necessary foreign aid will be coupled with a sense of ownership of the adopted administrative policies and practices. In all countries, the reforms that will be required to implement such objectives will be necessarily gradual.

### **References**

Bresser-Pereira, Luiz Carlos (2004) *Democracy and Public Management Reform*. Oxford: Oxford University Press.

United Nations' Economic and Social Council (2005) "Bottom-up Approaches and Methodologies to Develop Foundations and Principles of Public Administration: The Example of Criteria-Based Organizational Assessment". Document presented to Committee of Experts on Public Administration, Fourth session, New York, 4-8 April 2005 (E/C.16/2005/3).