



Globalization and Governance: Prescription or Poison?

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Introduction: Why “Good Governance”?

There is strong tendency among the international aid community to equate governance within the ambit of state institution and structures with an emphasis on corruption, transparency, participation and rule of law. The World Bank, as a major international donor, has constructed an index for “government effectiveness” composing the quality of public bureaucracy, policy making, and service delivery as index of six elements of a measure of governance². When government

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² The complete six indicators are: (1) Voice and Accountability, (2) Political Stability, (3) Government Effectiveness, (4) Regulatory Quality, (5) Rule of Law, and (6) Control of Corruption. See: Daniel Kauffman, Aart Kray, and Massimo Masturizzi, 2003, “Government Matters III: Government Indicator for 1996-2002”, World Bank Policy Research Working Paper 3106, Washington D.C. Paper and data available at <http://www.worldbank.org/wb1/governance/govdata2002/index.html>

effectiveness was tested against data from 175 countries, the analysis confirmed that government effectiveness contributed to higher national income (Kauffman, 2003).

Based on the World Bank's index, the quality of governance in selected countries in Asia can be seen in Table 1 below.

Table 1.
Quality of Governance In Selected Asian Countries

No	Country	Quality Index	Governance Quality
1.	Singapore	65	Good
2.	Japan	63	
3.	Malaysia	58	
4.	Republic of Korea	57	
5.	Sri Lanka	45	Fair
6.	Philippines	44	
7.	India	43	
8.	Thailand	43	
9.	China	39	Poor
10.	Indonesia	38	
11.	Nepal	36	
12.	Pakistan	34	

Source: Adapted from Table 2.1 of Jeff Hunter and Anwar Shah, 1998.

Any analysis of good governance would remain incomplete without acknowledge the prominent role of Washington Consensus³. In fact, good governance agenda is deeply embedded in the Washington Consensus.

³ The term "Washington Consensus" was first coined by the US economist John Williamson to refer to policy package pushed by the powerful Washington-based institution, namely, the World Bank, IMF, the US Treasury and neoliberal think-tanks. Initially aimed at Latin American countries in the 1980's, Washington Consensus was subsequently extended to the rest of the developing world. The important components of the Washington Consensus were fiscal discipline, trade liberalization, tax reforms, liberalization of foreign investment regime, privatization, deregulation, financial liberalization and capital account liberalization, market based exchange rate, labor reforms, and protection of property rights.

Combatting Corruption and Local Governance

The good governance agenda places special emphasis on anti-corruption measures. In Malaysia, for example, some of the corruption practices involved the civil servants. In 1998 for example, among 300 cases reported by the Anti-Corruption Agency (ACA) 186 cases, or 64 percent, involved civil servants⁴. However, Malaysia is considered “better of” than other Asian countries if bribing is the indicator of the corrupt practices among bureaucrat personnel. Table 2 summarized the situation in the Asia-Pacific Countries.

Table 2.
Respondent Who Paid A Bribe To Obtain Services In
Selected Asia Pacific Countries, 2007

Ranking	Country/Territory	Percentage of respondents who paid a bribe
7	Japan	1%
8	Korea South	1%
18	Hong Kong	3%
23	Malaysia	6%
33	India	25%
40	Indonesia	31%
41	Philippines	32%
46	Pakistan	44%
49	Cambodia	72%
57	Singapore	*
58	Thailand	*

Note: *). Due to problems with data, result for Singapore and Thailand could not be used.

Source: Transparency International Global Corruption Barometer 2007. Percentage are weighted and calculated for respondents who came in contact with services.

⁴ New Strait Times, 4 June 1999; daily newspaper in Malaysia.

The exclusive focus on corruption in public offices and institutions might fails to chronicle the large scale corruption practices carried out by private individuals and corporations. The involvement of western banks and transnational corporations in many corrupt deals in the poor and developing world is well documented. The extent of corrupt practice involving transnational corporation is so huge that during 1994-2001, the US government received reports of 400 International contracts worth US.\$200 billion that involved bribery (Kavaljit Singh, 2005).

Decentralization and local self-government constitute another important component of current governance agenda where reforms have been introduced in order to reduce poverty and achieve higher economic growth. Another dimension of good governance pertains to fostering popular participation. Hence, many goals are sets to make government close to public. In other popular words it is called “public-private partnership”. However the society as well as the international donor agencies also has different views on good governance. The summary of different perceptions on the good governance’s target is summarized in Table 3 below.

Table 3.
The Importance of “Good Governance” Practices As Seen From Different Views

Government/Formal Institution Perceptions	Community/Civil Society Hopes	International Organization/Financial Institution Demands
1. Combating Corruption	1. Better quality of life	1. Downsizing bureaucracy
2. Transparency	2. Equitable distribution of wealth, income and natural resources	2. Privatization of the state-owned companies (SOE)
3. Accountability	3. Full employment	3. Deregulations
4. Participation in decision making process	4. Better access to housing, health and education	4. Decentralization and encouraging local self-governance
5. Rule of Law	5. Restraining privileges of elite in politics as well as in wealth	5. Respecting human and property rights

Source: Compiled from many sources and field by the Author.

The above explanations does not mean that there are differences among three actors in the implementation of the "good governance" agenda. It is only to showed the degree of importance of the so many goals and objectives involved in the practice of good governance which is sometimes considered as the "second generation reforms" to ensure smooth development of market economy⁵.

As consequent of this kind of reforms, promotion of good governance has become an integral part of the emergent global economic order. Since, this reforms mainly deals with institutional and political reforms, then the public service reform, and more specific "a civil service reform", is the main pillar for a good governance practices, especially for the developing world.

Malaysia: Vision 2020 Through Malaysia Incorporated

Early efforts at administrative reform in Malaysia began in the 1960's. The government saw the need to improve the administrative machinery in order to carry out various socio-economy development programs as well as the increased responsibilities since independence in 1957 which were no longer confined to law and order. Consequently, there was a need to ensure that the public sector agencies had the capability and capacity to carry out their responsibilities effectively. The emphasis at the point was on effective institutional development to support development planning as well as the implementation. Thus, in 1965 the government with assistance of the Ford Foundation obtained the service of two-man team consultants to undertake a review of public administration and to suggest reform and innovation.

⁵ The "Second Generation Reforms" refers to re-designing the state and institutions, while the "First Generation Reforms" mostly concern with economic reform to cope with globalization process. All of these reforms are in accordance with the "Washington Consensus" discussed earlier.

The recommendation of those two consultants which was known as the Montgomery Esman Report⁶ led to the establishment of the Development Administration Unit (DAU). The DAU was entrusted with the responsibility for planning and guiding the reform efforts in the public service. It was instrumental in laying the foundation for public sector training policies and program while providing the focus for overall administrative and personnel developments.

The decade ended with a sour and tragic note with outbreak of the ethnic hostility on May 13, 1969. It became a watershed in the country's history. The government decided, after a great deal of study and inter-ethnic consultancies, that to prevent the recurrence of another May 13⁷, the economic disparity between the Malays and non-Malays should be bridged. It's, therefore, formulated and launched with the New Economic Policy (NEP), as a master policy for socio-economic development, in 1971, with the two-fold aims and that was to eradicate poverty irrespective of ethnic origin and restructured the Malaysian society in order to erase ethnic identification with their economic function. The establishment of the National Institute of Public Administration (INTAN) in 1972 and The Malaysian Administrative Modernization and Management Planning Unit (MAMPU) in 1977 were the main stone of administrative reform in the 1970's. While INTAN was set to replace the then Staff Training Center, MAMPU is put inside the Prime Minister's Department.

⁶ John Montgomery and Milton J. Esman (1966), "Development Administration in Malaysia: Report to the Government of Malaysia", Kuala Lumpur, Government Printer.

⁷ In November 25, 2007, Indians who make up less than 10 percent of the population of about 26 million in Malaysia and are disproportionately poor, led a protest march through Kuala Lumpur, the first large-scale ethnically motivated street demonstration in almost four decades since May 13, 1969. The police broke-up the demonstration with water canon and tear gas and arrested five representatives of a group called the Hindu Rights Action Force or HINDRAF, which led the protest. The five men are being held indefinitely and without trial under a Malaysian's International Security Law (ISA).

In the decade of 1980's, more program-oriented reform efforts were introduced. One and the most important of them was the launching of the Malaysian Incorporated in 1983⁸. It was mooted at a time when the country was flush with the bold ideas of dynamic and invigorated new administration that was really to break from the mores of the old. The essence of Malaysia Incorporated was that the country would be run a single business corporation, with the private sector following its growth and expansion, and the public sector providing the all important support vital for the success of the corporation.

The Malaysian Incorporated was the realization of the Look East Policy which was introduced in 1982. The main objective of this policy was to promote the adoption of work culture, ethics and values from Japan and Korea. It is a known fact that Japan and Korea's work culture have contributed significantly to their economic success. Indeed, it was a time of looking east, rediscovering Eastern values and work ethics in order to push for quality improvement on all fronts of the public sectors to provide better services to the community.

Another significant reform was the Privatization Policy which was also introduced in 1983. Privatizations are a policy of allowing private sectors to own and manage service formally run by the government. The policy is contrary to nationalism in which government takes over the running of businesses. This policy was in keeping with a shift in the role of the public sector from "rowing" to "steering" which become a new paradigm for the governmental bureaucracy in the early 1980's.

The launch of the VISION 2020, by then the Prime Minister DR. Mahathir Mohamad in conjunction with the launching of the Malaysian Business Council (MBC) in 1991 is generally seen as the starting point of a concerted and

⁸ Malaysian Incorporated was inspired by the Japanese notion of "coordinated inter-dependence", a key ingredient of the famed Japanese teamwork, collective pride and high achievement.

focused reform program for the 1990's. VISION 2020 is a statement of a goal for MALAYSIA to pursue in order to attain a developed nation status by 2020. It outlined challenges of changing political, economic and social scenario, both national and internationally to meet and to overcome basic challenges brought by the globalization era⁹.

The decade of the 1990's also began with the government declaring October 31 as Civil Service Day or *Hari Q* (Quality Day). The objective is to reinforce values of quality culture in an organization. "Q Day" is celebrated by holding "Open Day" talks on quality and other activities relating to productivity and quality of work in organization. In conjunction with "*Hari Q*", the government launched national quality awards to give recognition to agencies for quality achievement. The awards are: (a) Prime Minister's Quality Award (Public Sector), (b) Chief Secretary to the Government (KSN) Quality Award, (c) Director General of Public Service (KPPA) Quality Award, (d) Director General of MAMPU Quality Award, (e) District Office Quality Award, (f) Local Authority Quality Award, and (g) Human Resources Management Award. In addition the government also introduced the Civil Service Innovation Award from 1991 followed by the Public and Private Sector Joint Research Innovation Award from 1993.

The introduction of the Client's Charter in 1993 also helped to set the stage for more predictive standards of service delivery to private sector. The Charters have also become a focal point for the critical evaluation of an agency's

⁹ VISION 2020 is best elucidated by Dato Seri DR. Mahathir Mohamad then the Prime Minister of Malaysia, as follows: "By the year 2020, Malaysia can be united nation, with a confident Malaysian society, infused by strong moral and ethical values, living in a society that is democratic, liberal and tolerant, caring, economically just and equitable, progressive and prosperous, and in full possession of an economy that is competitive, dynamic, robust, and resilient "from" *Malaysia-Melangkah ke Hadapan* (Malaysia : Moving Forward)" a working paper delivered at the launching of Malaysia Business Council (MBC); February, 1991.

performance by the private sector. This was so, since the Client's Charter is written commitment made by all government agencies with regard to delivering of services to their customer. It is essentially a declaration made by the civil service that services provided would comply with the declared quality standards, which is conformance with the expectation of public. Quality service would therefore include all counter services at government department as well. Furthermore, the public service embarked on the implementation of MS ISO 9000 in 1996 as a direct challenge to the needs of the private sector. The objective of implementing MS ISO 9000 is to develop an efficient and effective quality management system in order to provide the best service to the public. The implementation of MS ISO 9000 is also in relation to other major reform namely the implementation of Electronic Government (EG) and E-Public Service. E-Government is since then becoming a permanent feature of the public service as well as how it delivers service to the people of Malaysia. While E-Public Service, or E-PS, is one of the Five thrust in efforts to build a society infused with an IT-culture (information technology culture). The other thrust areas are E-Economy, E-Learning, E-Community and E-Sovereignty. The E-PS implementation plan will adhere to its motto: "Online, anytime, anywhere".

Under quality management, since the introduction of MS ISO 9000 and E-PS, the public service also put in place for managing public complaints and grievances speedily and equitably. The implementation of the program so called "Meet the Customer Day" in 2001 throughout the public sector was seen as one of several actions to give better service to their costumers, the public. The program helped to strengthen customer orientation within government agencies in providing an additional avenue for redress through face-to-face communication between agencies and their customers.

Administrative improvements and reforms have been going on in the public service since the early 1960's, a few years after Malaysia gained "Merdeka (Independence)" in 1957. From the most mundane reform such as name tags

and systems to quality and emails, there has been no let up¹⁰. One must credit the indigenous post independent government for its seriousness in implementing administrative changes led by political leaders such as Tun Abdul Razak and DR. Mahathir Mohamad. However, supports from top leadership of the bureaucracy are also a crucial factor. There seemed to be meeting of minds between the political leadership and the top civil servants to bring about to deliver goods and services efficiently to the people.

The public service reform in Malaysia is one-going process backed by the high level authority. The seriousness of the top leadership to reform the bureaucracy can be seen from their concerns about future public service in Malaysia as summarized in Table 4 below.

Table 4.
Proposal for Future Public Service in Malaysia

No	YAB Dato's Sri Abdullah bin Haji Ahmad Badawi "Five Principles to Increase Efficiency and Effectiveness of the Public Service Delivery"*)	YAB Dato's Sri Moh.Najib bin Tun Haji Abdul Razak " Five Elements or characteristics of a High Performance Culture Which Should be Adopted by the Public Service"*)	Jawatan Perkhidmatan Awam (PSD)**)
1	The need to have zero tolerance for substandard performance	3. To have personal and professional accountability	3. Keep pace with the speed of technology
2	To continuously seek accuracy, timelines and volume at work	2. To be quality focused in delivery the service to the public 4. To have commitment to continuous improvement	1. Raise service standard

¹⁰ E-mail becomes an effective way to build communications between public and government institutions. Even ordinary person can send complaints to the Ministries only through an e-mail. From the discussion with Mr. Darshan Singh, Director of National Consumer Complaint Center (NCCC) on January 16, 2008 in ERA CONSUMER MALAYSIA's Office in Petaling Jaya, Malaysia.

No	YAB Dato's Sri Abdullah bin Haji Ahmad Badawi "Five Principles to Increase Efficiency and Effectiveness of the Public Service Delivery"**)	YAB Dato's Sri Moh.Najib bin Tun Haji Abdul Razak " Five Elements or characteristics of a High Performance Culture Which Should be Adopted by the Public Service"*)	Jawatan Perkhidmatan Awam (PSD)**)
3	The need to appreciate orderliness and cleanliness		
4	The need to be consumer focused	1. To be consumer focused	2. Adopt a more global outlook 4. Change the culture of the service to become more responsible; innovative
5	To adhere to the public service ethics	5. To have a team work spirit	

Note:*) Both speeches of Dato' Seri Abdullah Ahmad Badawi and Dato' Sri Najib Tun Razak were delivered in their position as a Deputy Prime Minister of Malaysia.

**) "Attitudes needed to Adapt to the Change for the Civil Service" based on the Research done by JPA (PSD).

Source:

- 1) Zulkarnain Hj. Awang and Muhamad Hamza (Ed), "Managing the National Economy in Challenging Times :Enhancing Delivery System and Mechanism". Proceedings of the Eight National Civil Service Conference, January 2004.
- 2) Hj. Malek Shah Hj. Mohd. Yusoff and Muhamad Hamzah (Ed), "Strengthening Public Service Delivery: Forging Ahead Together" INTAN-PTD, 2005.
- 3) JPA (PSD) "The New Ethos of Leadership for the Malaysian Civil Service Competence for the Future", Putrajaya, Malaysia, 2003.

The numbering of proposal was based on the five proposal developed at first in 2003 during the Eight National Civil Service Conference by then Deputy Prime Minister of Malaysia, Dato' Seri Abdullah Ahmad Badawi. Another two proposals are fitted to the first one. Therefore, the consistency of the reforms can be evaluated all together.

Thailand: Gender Equity

Along with the military and politics, the bureaucracy world has traditionally been highly male-dominated in Thailand. Even though in the civil service equity means to be open freely for every one who needs to apply to civil service, but in fact there some exceptions, especially in women and minority group. For example, some have points of view to treat women as always lacking qualifications to do the public works, such as fire-fighter, deputy district and others, and they consider physical qualities that are not necessary for the job. This discussion become affirmative action in personnel administration and some technocrats call it "Representatives Bureaucracy".

Generally, by intention or not, women have chosen jobs based on their physical conditions. The activities such as child bearing, providing care, and socializing with children are mostly done and given to women. Therefore, it looks that females are inferior in terms of status and role. Men are determined as bread winners whereas women are housekeepers, such gender roles have been changing gradually since the late 1950's. Unlike the majority of countries in Asia, women in Thailand are participating in the economy, politics as well as public sector. However, the presence and participation alone do not necessarily mean that women's status in Thailand needs no further improvement or that Thailand has already achieved gender equality. At present the selection of personnel in the Civil Service is still prejudiced against women. In fact, common practice still means that some positions are not yet given to women. Even though, there are more women than men in the whole population, however the number of women at the senior executive level in the public service in Thailand is less than a quarter as seen in Table 5 below.

Table 5.
Number of Senior Executives by Level and Gender, 2006
(in person)

No	Position	Number			Percentage		%Female	
		Total	Male	Female	Male	Female	2000	2005
I	Senior Executive level 11	31	27	4	87.10	12.90		
	I.1. Permanent Secretary	19	17	2	89.47	10.53	7.14	10.53
	I.2. Secretary General	12	10	2	83.33	16.67	9.09	16.67
II	Senior Executive Level 10	210	165	46	78.10	21.90		
	II.1. Deputy Permanent Secretary	56	44	12	78.57	21.43	4.76	14.29
	II.1.. Deputy Secretary General	42	27	15	64.29	35.71	14.63	40.48
	II.3. Director General	112	93	19	83.04	16.96	8.51	17.46
III	Senior Executive Level 9	269	201	65	74.72	25.28		
	III.1. Deputy Director General	269	201	65	74.72	25.28	13.76	32.22
	TOTAL	510	392	118	76.86	23.14	12.55	21.85

Note: 1) Senior Executive refer to head or deputy heads of agencies at the ministerial or departmental levels.

2) Not including Senior Executives of the Office of His Majesty's Principal Private Secretary and Bureau of Royal Household.

Source: Office of the Civil Service Commission (OCSC), "Civilian Work Force in Thailand, 2006", Bangkok, 2007.

From table 5 above, it can easily been seen that even though the percentage of female in the to position has increased in the past six years, however, in 2006, there were only two women permanent secretary as well as two women at the secretarial general level. The data shows that there is still deprivation among women in some careers. Men's career advancement is faster than women's pace. Women gain less change to be promoted to executive level than men. This condition is also revealed in the public service of Thailand.

In the study of the status of Thai women by Sasipat Yadpet and Surangrat Attasartsri (1981), their questionnaire survey of 574 female and 90 male civil servants found that women had fewer opportunities for entering the civil service than men and fewer advancement opportunities. Moreover, the survey indicated that 66.1 percent of women civil servants were confident that if got promoted to executive position, they would have been able to work as equal as men or even

better. The study also revealed that the acceptance of women from their colleagues and superior as well as family responsibilities were the major obstacles hindering women's equality to men. Therefore, the acceptance and support from the superiors were the crucial factor for the promotions of Civil Servants in Thailand. Other factors that prevent women from home and difficulties in working at night. It seems women cannot give as much time to the job as men. Amindchai Konchan (2000:83) has found that working at night also barriers to female administrator's participation and ability to devote time to the job. The study on career advancement in the Thai's civil service was done by Police Lieutenant Colonel Supaluck Liamvarangkoon in 2002¹¹. In her study the time taken for promotion classified is by highest degree earned and gender is presented in table 6 below.

Table 6.
Average Time Taken for Promotion of Respondent by Highest degree Earned and Gender (in years)

No	Promotion	Bachelor Degree		Master Degree		Doctoral Degree	
		Male	Female	Male	Female	Male	Female
1	From level 1 up to level 2	2.69	2.91	3.29	1.88	-	-
2	From level 2 up to level 3	2.66	2.99	2.84	2.55	3.50	-
3	From level 3 up to level 4	3.18	3.39	2.64	2.79	2.55	3.00
4	From level 4 up to level 5	3.64	3.98	3.37	3.62	2.89	2.67
5	From level 5 up to level 6	4.78	5.13	4.04	4.91	3.82	4.00
6	From level 6 up to level 7	4.98	5.09	4.26	4.96	3.57	3.00
7	From level 7 up to level 8	5.35	5.99	5.54	4.93	3.92	2.50
8	From level 8 up to level 9	7.50	8.65	6.35	5.79	5.05	6.50
9	From level 9 up to level 10	-	-	2.67	3.42	2.00	-
TOTAL		34.78	38.11	35.00	34.85	27.30	21.67

Source: Supaluck Liamvarangkoon, Table 6.2, p.124.

¹¹ Police Lieutenant Colonel Supaluck Liamvarangkoon. "Effect of Gender Role on Career Advancement in Thai Civil Service" a dissertation submitted to the School of Applied Statistic, National Institute of Development Administration (NIDA), Bangkok, 2002, pp.123-126.

From table 6 it was found that in general females took more time to be promoted than males. It was true especially for the bachelor degree if educational level is considered. However, in the advanced degree, master and doctoral degrees, more female civil servants took less time to be promoted than males. This result is consistent with the result of the study of Likit Dhiraregin (1985:162-163) who found that the highest degree earned play an important role in rapid promotion and has a positive effect on career advancement.

Therefore, the career advancement in the Thai's civil service depends on the highest degree earned. Other factors which also considered as important factors, which is also similar to other countries in Asia, are the work experience as well as line of career chosen by the civil servants. Since the issue of gender equality sometimes is closely linked with the process of democratization, it is important to explore Thailand's political development. Thailand provides a historical example of a country that started a process of democratic transition and then reverted to authoritarianism. Democratization in Thailand is affected by many problems, including those related to the continuing importance of the military within the state, weaknesses in party and representation system, political corruption, and widening social inequalities.

After the crisis in 1997, Thailand entered a new era of democratic development. Democratization raised expectation for the adoption of new political agenda and the evolution of Thai politics. The 1997 constitution was a mixture of many conflicting ideas, but turned out to be a reasonable successful balance among the diverse political forces of the time. The major reform pragmatism of the constitution in 1997 was significant and did bring a notable development of democracy¹².

¹² Interview with DR. Pasuk Phonpaichit, Professor of Economics, Chulalongkorn University Bangkok, on Monday, April 21, 2008.

The national election of January 2001, the first election after the financial crisis of 1997, brought Thaksin Shinawatra and his Thai Rak Thai Party to power. One of Thailand's richest man. Thaksin has been a successful businessman in the field of computer technology and telecommunications prior to entering politics. With his background, the new prime minister campaigned for popular support on grounds that officialdom served as a dog on economic growth, and that businessman ought to take greater change of the economy. The Thaksin government created an infrastructure for policy making which took his initiative away from the bureaucracy. Thaksin's predisposition, from his background as CEO of a personal business empire, was to challenge Thailand's deep-seated bureaucratic with the formal, stately and convoluted patterns of decision making, the publicly decried Thailand's bureaucracy as old fashioned and corrupt while extolling business virtues and entrepreneurial style¹³. During Thai Rak Thai administration, 2001-2004, Prime Minister Thaksin reshuffled the cabinet ten times.

The administrative reforms during that time was the so-called "big bang" bureaucratic restructuring¹⁴. The bureaucratic reform of 2002 created six new ministries (an increase from 14 to 20), each with a permanent secretary and supporting staffs. Since the member of bureaucrats was fixed for the reform, this meant transfer and promotions for many existing bureaucrats. However, before the promotions could be made, the minister and senior bureaucrats were replaced. At that point, the officials lobbied their new seniors (from a different faction) for the promotions they had bought but were refused. It was in that context that the allegations came to light¹⁵. Another characteristic of the Thaksin's reform was his decision in supporting the military and police careers

¹³ The NATION, daily newspaper in Bangkok, 12 February 2003.

¹⁴ The NATION, daily newspaper in Bangkok, 2 July 2003.

¹⁵ BANGKOK POST, daily newspaper in Bangkok, 29 March 2003.

of his old classmates who attended the military and police academics and other associates that his closest ally when he came to office. This decision has meet resistance from other officers, since this kind of promotion is simply not in line with the professionalism in the army¹⁶.

This kind of new model of Thai bureaucracy will be more expensive than a cost-saving bureaucratic system. The government must allocate a budget for the administration of those new ministries. That includes salaries for ministries and their staffs, expensive administrative expenses as well as possible construction costs for new offices. Since the mid 1980s, the World Bank has been pressing Thailand to undertake a more general reform of the bureaucracy based on the principles of the New Public Management (NPM), meaning the adaptation of modern business management practice to the public sector, with an emphasis on setting goals, measuring results, rewarding performances, and punishing corruption and other abuses (Bidhya, 2004).

After the 1997 financial crisis, the World Bank with support from other international donors was able to push this agenda through to a comprehensive 1999 *Public Sector Management Reform Plan*, which supplanted an earlier *1997 Public Sector Reform Master Plan*. This is a familiar mix of NPM and structural adjustment downsizing measures produced by the Office of the Civil Service Commission (OSCS). The recovered five main priority areas, which are:

- 1) Revision of roles, function, and management practices of government departments;
- 2) Budget, finance and procurement management reform;

¹⁶ BANGKOK POST, daily newspaper in Bangkok, 16 January 2003. This condition also happened in other Asian countries. During the New Order Government in Indonesia, this practice was more common. However, it is still practiced in the present administration today.

- 3) Personnel management reform;
- 4) Legal reform; and
- 5) Reform of cultural and public values, which is to eliminate corruption practices. (Bidhya, 2004; Painter, 2005).

In 2002, a *Royal Decree on Good Governance* was promulgated and in March 2003, the Thaksin government's administrative reform program was formally announced as the *Strategic Plan for Thai Public Sector Development*. The program was put under the *charge of a new Public Sector Development Commission*, with the support of an Office (*OPDC*). From that date on, Thailand has two institutions in charge of bureaucratic reforms, which are the Office of Public Sector Development Commission (*OPDC*) for budget and public service overall reforms and Office of the Civil Service Commission (*OCSC*) which mainly deals with civil servant's matters. The strategic Plan is in fact quite similar to the 1999 program, focusing on streamlining and rationalization, restructuring and reorganization, budgetary and financial reform, human resource management and compensation reform, "work culture and values", modernizations through E-Government and encouragement of public participation. The creation of the "Senior Executive Service" (*SES*) started in 2001 and gathered pace in 2003, was one of the reform movements. The creation of the *SES* was linked as well with proposals for performance review, merit pay and lateral recruitment processes.

Thaksin's "*CEO-manager*" style emphasizes a "risk and result" orientation as a desirable quality of a public sector executive. The long-term reform agenda favoured by the *OPDC* favoured such things as open recruitment, performance pay and contractual arrangements for top executives in order to hone the performance of an elite group of senior executives. In April 2003, a "fast-track" system of senior appointment, proposed by the *OPDC*, was approved to encourage external applicants. However, due to delays and obstacles in amending the civil service regulations, lateral recruitment from outside

the ranks of the civil service was still born¹⁷. Thaksin also supported a proposal to encourage the movement of existing officials between ministries or department when vacancies occurred. Under the new policies, all vacant senior positions were supposed to be openly announced but in practice permanent secretaries and others involved continued to favor the insiders¹⁸. In May, 2003, a disappointed senior agriculture ministry officials shaved his head in silent protest at the appointment of a commerce ministry official as permanent secretary of agriculture¹⁹.

The Philippines: Building “A Strong Republic”

In the Philippines the landmark of such administrative reforms was the introduction of the Integrated Reorganization Plan (IRP) in 1972. The IRP, which was the result of a two-year effort of the Reorganization Commission, a few trusted technocrats of President Ferdinand Marcos, promised the most extensive and wrenching effort at administrative reform in the country's history. The IRP provided for decentralizing and reducing the bureaucracy, and standardizing departmental organization. The IRP also sought to introduce structural changes and reforms to strengthen the merit system as well as professionalize the civil service system²⁰. However, the stakeholder, who were to be affected by the program were not involved. For that reason, a sense of ownership of and popular support for the program could never have been achieved, especially when implementation faltered because

¹⁷ Interview with DR. Nualnoi Teerat, a senior lecturer in the Faculty of Economics at the Chulalongkorn University in Bangkok on Friday April 4, 2008.

¹⁸ BANGKOK POST, 23 April 2003. This practice can also be found in Indonesia. However, in Malaysia this kind of transfer happened smoothly as part of their bureaucratic reforms.

¹⁹ BANGKOK POST, a daily newspaper in Bangkok, 23 May 2003.

²⁰ For completed information on the IRP. See: Commission Reorganization (1972), *“Integrated and Reorganization”* Manila, Philippines March 1972.

erring political leaders and their cohorts increasingly undermined the system and violated set standards and procedures.

To restore government integrity and public confidence reorganization reform were introduced by President Corazon Aquino, basically with the creation of Presidential Commission on Public Ethics and Accountability and the Presidential Commission on Good Governance (PCGG). Civil Service Organizations (CSOs) became more active in participating in decision making and program implementation of the government. To down size the bloated government, one of the step undertaken during the Aquino administration was the removal of thousand of civil servants from their positions. Although the said step was justified, ironically, the number of civil servants and political appointees in the government increased, thus blurring the principles of merit and fitness of the civil service. Moreover public agencies and offices grew which caused the extended and fragmented government structure (ADB, 2005).

While reorganization effort was minimal during the tenures of Ramos and Estrada Administrations, President Gloria-Macapagal-Arroyo (GMA) continued the initiatives to streamline the bureaucracy. In the Medium-Term Philippine Development Plan (MTPDP) 1994-2004²¹, the present administration had adopted the "Reengineering the Bureaucracy for Better Governance Program" inherited from the Estrada's Administration. The Presidential Committee on Effective Governance (PCEG) which created by President Joseph Estrada was likewise reactivated upon the President's assumption to office. It serves as the ad-hoc body that shall be the local point of administrative reforms in the Civil Service. In October, 4, 2004, the Department of Budget Management (DBM) and the Civil Service Commission (CSC) pursued the

²¹ More elaborated information. See: National Economic and Development Authority (1999), "Medium Term Philippine Development Plan 1999-2004", NEDA. Manila, Philippines, 1999.

objective of the Program is to conduct a strategic review of all department/agencies of the Executive Branch on their operations and organization with the purpose of focusing care public functions, and improving the efficiency of government services within affordable levels, and in the most accountable manner. In accordance with MTPDP, the Civil Service Commission (CSC) also formulated a comprehensive and strategic plan to address gaps and weaknesses in the bureaucracy²². The SCS plan calls fo paradigm shift in the government mindset and attitude in terms of role, function, structure and process as summarized in the following Table 7 below.

**Table 7.
Required Shifts in Paradigm**

Area of Concern		Paradigm Shift	
		From	To
1.	Role of Civil Servants	Follower/Implementator	Source of expertise and institutional memory
2.	Recruitment of Civil Servants	Aptitudes / Skills	Service value orientation and integrity of character
3.	Role of 3 rd level officials	Administration/Managers	Visionaries/Technocrats/Experts
4.	Appointment and promotions to 3 rd level	Bias for managerial skills	Competitive process/insulated from politics. Major consideration are : character competence, and potentials. Competence encompass managerial and technical skills
5.	Management style	Subservience to hierarchy/Authoritarian	Participatory/Consultative
6.	Operating perspective	Regulation	Assistance and service
7.	Civil Service relationship with other branches of government	Being an adjunct of other branches	Autonomy from the will of political regime

Source: Sto Thomas and Mangahas (2002), Table 7, p.14.

²² See: Civil Service Commission. Undated. *The Civil Service : Building Its Own Integrity*, The Civil Service Commission Strategic Plan for 20002-2004, CSC. Manila, Philippines.

In keeping with total client satisfaction, the CSC also introduced the so-called “*Mamamayang Muna, Hindi Mamaya Na*” Program or MMHM Program (G de Leon, 1999). The MMHM Program which translates literally in English as “Citizen Noe, not later” is essentially a client feedback mechanism meant to improve the delivery of public service. Launched in 1994, it is designed purposely to minimize if not totally eradicate discourtesy, arrogance and inefficiency in the public service. In essence, the program operates this way: a client who feels dissatisfied with the service of government agencies can bring a complaint to the attention of CSC, which in turn, mediates between the client and the agency towards effective resolution of the complaint. Conversely, a client can report a satisfactory service, which when duly verified by the CSC, can merit the employee who rendered that satisfactory service, a citation of reward.

Since the inception of the MMHM Program, the number of reports received and acted upon is summarized in table 8 below.

Table 8.
Progress of the *Mamamayan Muna, Hindi Mamaya Na* Program, 1994-1998

Year Received	Total Report	Number of Report Acted Upon	
		Complaint	Good Service
1994	573	561 (97,91%)	12 (2,09%)
1995	4,950	2,363 (52,56%)	2,636 (47,74%)
1996	9,092	2,104 (23,14%)	6,988 (76,86%)
1997	3,495	3,069 (87,81%)	426 (12,19%)
1998	2,941	2,626 (89,29%)	315 (10,71%)

Source: G.de Leon (1999), p.4

For nearly half a century, the Philippines was caught in endless cycle of administration reform exercises that hardly produced tangible and lasting results. Lack of acceptance of and commitment to the need for reform by political authorities and different affected entities and lack of stakeholder appreciation and agreement concerning administrative reform being a long, strategic and continuous process was among the reasons behind not fully successfully the efforts. Another stumbling block is the practice of corruption and cronyism in the Philippines, even before the independence. Therefore, a strong and sincere leadership is needed. In other words, building strong and democratic governance is a must.

Indonesia: Institutional Approach

The United Nations Development Program (2003) describes civil service reform as developing the capacity of the civil service to fulfill its mandate by addressing such issues as recruitment, promotion, pay, number of employees, and performances appraisal, and this still constitutes the bulk of national programs concerned with public administration reform. Civil service reform has historically focused on the need to contain the costs of public sector employment through retrenchment and restructuring, but has broadened its scope keeping the longer term goal of creating a government workforce of the right size, with the appropriate mix of skills, and the right motivation, professional ethos, client focus, and accountability (United Nation Development, 2003).

Furthermore, in a report for the Indonesian government, the World Bank (2001, P. 10) indicates that: the civil service reform strategy should include changes to the incentive system, size of the civil service, recruitment, performance management, remuneration and probity. Indonesia is planning to launch a number a promising initiatives in these areas. For example, pilot reform initiatives

are planned for the ministries of Finance and Education, including new merit-based pay initiatives under Teacher Law No. 14/2005. If successful, these initiatives could be scaled up to the nation level. In addition, an independent remuneration commission will advise on pay scales and on modernizing the pay structure for senior officials; a review of the legal framework for the civil service is ongoing; a number of sub national reform initiatives are taking place in Yogyakarta, Jemberana in Balik, Solok ini West Sumatra, and elsewhere; a cabinet-level unit to help implement reforms is planned (World Bank, 2006).

To have an effective and efficient public service, most governments have set up a special institution responsible for human resource management. This body is often referred to as the civil service commission (CSC) or public service commission. In the Republic of Korea, the CSC established in 1999 has been leading the country's major civil service reform initiatives. In 2004, those personnel management functions that still remained under the purview of the Ministry of Government Administration and home Affairs were transferred to the CSC, thereby resulting in a single, central personnel authority for the Korean Government (Kong, 2006). In New Zealand, in 1999 the state service commissioner asked to be given responsibility for developing a solution to the lack of corporate capacity in the public service. Since that time, New Zealand's public service has increasingly moved to address a wide range of service and human resource management issues from a corporate perspective (United Nations, 2005).

Once a CSC has been set up, questions frequently arise pertaining to the commission's relationship with line ministries and agency. Thus once a government decided to establish a CSC, it must clearly delineate the division of responsibilities in relation to resource management among central government departments and agencies. In many countries, responsibilities for human resource management in the civil service are along the line shown in Table 9 below.

Table 9.
Responsibilities in Central Government Agencies

Agency	Function
Office of the Prime Minister	Overall government policy
Ministry of Finance	Pay and pensions
Ministry of Public Service	Deployment and condition of service for public servants
CSC	Appointments, promotions, transfers and discipline
National Administrative Staff College	Staff training and development

Source: Adapted from United Nations (2005, Table 6).

The structure outlined in Table 9 resembles the model prevalent in the Commonwealth of Nations, especially with respect to the role of the CSC but countries such as Korea and Thailand have similar arrangements in place.

Indonesia does not yet have a CSC. Even though Law No. 43/1999 of 2000 stated that a CSC should be established, the government does not currently have any plans to establish such a body. Therefore the division of responsibilities in relation to human resources among line ministries and other public sector entities is as shown in Table 10.

Table 10.
Institutions Responsibilities for Human Resource Management in Indonesia

Agency	Function
Office of the President (State Secretariat and Cabinet Secretariat)	Overall government policy
Ministry of Finance	Civil service pay and pensions (state-owned enterprises under the supervision of the State Ministry for State-Owned Companies).
Ministry of Administrative Reforms	Supervision, coordination, monitoring and evaluation of all civil service matters, including supervision and coordination of the National Agency for the Civil Service and the National Institute of Public Administration.
National Agency for Civil Service	Appointment, promotions, (except at the highest levels, which are managed by a team chosen by the President), and transfer
National Institute of Public Administration	Education, training and development

Source: Author

Thus, as shown in Table 10 above, the management of human resources in the civil service is not being carried out by an independent body that reports directly to the president but by institutions that are part of the government bureaucracy.

Ensuring that civil servants give high priority to honesty, responsibility, and integrity in relation to their day-to-day activities and routine duties can be done through well-planned human resource development. Human resource development for civil servants starts with their recruitment and continues until they leave government service. Recruitment should undertake job and requirement analyses before undertaking recruitment activities. Furthermore, to allow the civil service to select the best candidates, the recruitment process should be fair and open. The next step in human resource development for civil servants in education and training should be provided regularly for those at every level, as is already done in the armed forces. An objective and selective recruitment process combined with integrated and systematic education and training during the period of service can enhance the quality of government employees. Several Asian countries have adopted such an approach, for example, China, Japan, Korea and Malaysia. Furthermore, the government should also provide higher education scholarships both in the country and abroad for exceptional government employees. Such a policy is not only good for the individuals concerned, but also for the government and perhaps for the country in the future (World Bank, 1993).

Concluding Remarks: Where We Go?

Since the 1980s, many countries, including Asian countries, have engaged in major efforts to promote administrative reform, focusing on the openness, transparency and accountability in government administration. All countries regardless of their economic situation or stage of development need good governance. For some Asian countries

this becomes particularly important after the 1997 Asian financial and economic crisis.

Reform of the Civil Service should be designed to reduce corruption. If officials are paid much less than people with similar training elsewhere in the economy, only those willing to accept bribes will be attracted to the public sector. The rest will work in private enterprises or emigrate. But in spite of the low pay, positions in the state bureaucracy can be valuable assets. In some developing countries there is a lively market for bureaucratic positions that generate large bribes. Positions in corrupt police departments are likely to be especially valuable (Phongpaicht and Piriyarangsan, 1994). Civil service pay should be set at least equal to pay for equivalent position in the private sector so that it is possible to serve without resorting to corruption.

Civil service reform is expensive and politically difficult, and it may seem beyond the capacity of many poor countries. Yet it cannot be avoided in any credible reform effort. While citizens expect fast and immediate action on their request, they do not care about government's internal conflicts²³. Therefore, structural and administrative reforms which have been introduced in most developing countries should be directed to free the civil service from politics and the civil servants from political pressure. This is the primary reason for the merit-based civil service reforms in which entry into the service is qualification-based determined, among others, by competitive examinations and where promotion to higher positions are based on performance, competence and other merit-based standards and not on connections.[]

²³ The paradigm of governance is "make or take" which means makes reform or just follow the present system, while in economics the paradigm is: "make or buy". Adopted from the guest lecture given by Prof. John V. Nye "The Rise of the Modern State" delivered at *the School of Economics, University of the Philippines (UPSE) on July 7, 4 and 21, 2008, UP Diliman Campus, Quezon City, Philippines.*