

# **Governance Policy Formulation and Implementation**

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Presentation Paper

for

The Seminar on International Experiences on Good Governance  
and Fighting Corruption

Thursday, February 17, 2000

Pimarnmek Room, 3<sup>rd</sup> Floor, The Grand Hotel Bangkok



**United Nations Development Programme**  
Sustainable human development



**PARAGON Regional  
Governance Programme**

*Presentation for Seminar on International Experience on Governance and Fighting  
Corruption (Bangkok, Thailand / 17 February 2000)*

**GOVERNANCE POLICY FORMULATION AND IMPLEMENTATION:  
Four Factors that Condition Failure and Four Facilitating Factors for  
Accountability and Anti-Corruption Policies**

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Four governance policy formulation and implementation factors that condition governance failures are analyzed. They are both obvious and common, but most societies have difficulties dealing with them. At times they even lead to crises. They are:

- Immediatism
- Governmentism
- Sectoralism
- Bureaucratism

Subsequent to their analysis, four facilitating factors are presented. It is argued that accountability and anti-corruption policies should be:

- Strategic
- Societal
- Holistic
- Networked

**FOUR FACTORS THAT CONDITION POLICY FAILURES**

Governance policy formulation and implementation in general, as well as accountability and anti-corruption policy in particular, often fail due to immediatism, governmentism, sectoralism, and bureaucratism.

(GOVERNANCE POLICY PAPER BANGKOK 0002 13-MISSIONS-RGP-UNDP-MD/32/000215/10)

## IMMEDIATEISM

Individuals generally avoid unlimited immediate gratification. Those who don't risk financial, social, or even physical self-destruction. The same consequences apply to social groups, but their behavior tends to be different. The higher the level of social aggregation the greater the tendency toward unlimited immediate gratification. It is this fact, combined with our greater technological capacity, that explains the lamentable state and tendency of the global environment in the year 2000.

Short-term policy by definition excludes the medium and long-term. Long-term policy by definition includes the medium and short-term. Most policy, however, is short rather than long-term. A succession of short-term policies generally does not compensate for the absence of long-term policy due to inconsistencies. Continual short-term policy shifts often cancel each other out.

If there are three policy options (A, B, and C) with their respective advantages and disadvantages, it is often true that the application of any of the three over the long-term will produce results. Continual changes from one to another will probably not.

The maturation time for results in governance policies tends to be long-term. Governance policies involve institutions. Institutions in turn involve structures and processes, values and ethics, rules and compliance, objectives and performance, and attitudes and behavior. These factors require time to transform and consolidate, and still more time to produce results. Significant impacts with few exceptions cannot be expected from short-term actions.

It is very advisable to build into long term policies medium, short, and very short-term benchmarks in the form of events, actions, results, and impacts. These results and impacts may have intrinsic value as well as importance for phasing and sequencing purposes. They are also necessary to address the phenomenon of immediatism. Citizens, political leaders, government officials, other actors and stakeholders, and international donors, all expect and desire short-and medium-term results. The political, social, and economic viability of reform efforts can depend on the achievement of continual benchmarks across time. Ultimate success depends on significant impacts in the long term and their acceptance by citizens, actors, and stakeholders.

Political, social, and economic institutions often weaken long-term policy. This deprives short-term policy of a strategic framework and consistency. A major governance issue at the global, regional, national, and local levels is how to ensure long-term vision and policies in a world characterized by immediatism. How to do that while at the same time strengthening democratic institutions is an even a greater challenge.<sup>1</sup>

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<sup>1</sup> This is not to imply that authoritarian regimes are more effective at long-range policy than democratic ones. Technocratic planning combined with totalitarian power in the Soviet system led to some of the world's greatest ecological disasters, precisely due to unlimited demands on vulnerable resources.

## GOVERNMENTISM

People often expect government to resolve governance issues. Governments also often think that they can unilaterally do the same. However, primarily government-based governance policy has low levels of sustainability.

Policy may be conceptualized at the ministerial, governmental, parliamentary, state, and public levels. The higher the level the more sustainable the policy. If the policy is ministerial a change in the minister can result in a change in policy. The same may be said for governmental policy and a change of government. The support of all parliamentary forces makes a policy more sustainable. This is even more the case for state policy that contains the elements mentioned plus support from the remaining powers of State and the bureaucracy. The highest degree of sustainability is attained when all of the foregoing is combined with the support of opinion makers (media, academia), key interest groups, and public opinion. This is what may be termed public policy.

Truly public policy requires consensus building and maintenance. This obviously does not require unanimity but rather a critical mass of support among key actors and stakeholders. This represents a very high threshold of support. It is generally easier to win the support of a minister or government, or even of a parliament, than practically an entire country. However, it is only the latter that can reduce political risks in policy formulation.

Government can directly implement most policies. However, in doing so they often reduce their strength to that of their own apparatus. Societal leadership by government and the involvement of other actors and stakeholders (steering rather than rowing) can enhance the capacity of a society to set and achieve objectives.

Government ministries and agencies are notoriously ineffective in policy formulation and implementation that implies self-reform or even slight variations in their own power base. The British radio and television programme “Yes Minister” has been running for decades based on endless variations and nuances of this theme. Ministries and agencies are organizations with their own vested interests and cannot be relied upon to put the public interest above them. In extreme cases there is the capture of the State by them, or in alliance with politicians and/or powerful interest groups. This can institutionalize their dominance of the state apparatus. The defenses against this are more actors and stakeholders involved in policy formulation and implementation processes with meaningful checks and balances between them.

To reduce governance policy formulation to only one of the key actors---as important as it may be--- reduces the potential for both effectiveness and sustainability. The same holds true with regard to policy implementation. If it is exclusively ministry and agency based it is vulnerable to political changes. Trained personnel can be dispersed, budgets cut, and entire programmes discontinued, literally with a stroke of a pen. What is constructed in civil society and/or the private sector, has better a chance for survival

despite political changes. This is even more the case when there are high levels of citizen participation.

In sum, excessive governmentism can reduce both the sustainability and efficacy of policy. Governance is a relational concept between the State, the private sector, civil society, and the citizenry. It is the relations between these actors that allow a society to set and achieve objectives, and hence to in enhance its governance capacity. Governance capacity can only be increased through action.

## **SECTORALISM**

Major policy issues are increasingly global. They cut across both sectors and levels. For example, issues as critical as the environment, poverty, and HIV/AIDS cut across sectors and have implications at the world, regional, national, and local areas. Solutions cannot be found through a single sector or at a single level, no matter whom the actors are or at what level they operate.

Most policy, including planning and budgeting, is sectoral in focus. This reduces the effectiveness of both policy formulation and policy implementation on the types of issues under consideration. They require holistic vision, integrated strategies, and comprehensive action. A difficulty in achieving this is the basically sectoral organization of governments and the public administration. A common remedy are “Inter-Sectoral Coordinating Committees” that have proven their ineffectiveness in most every country. Another solution is to treat a global issue as if it was a sector and form a sectoral ministry. Such a ministry can then duplicate other ministries on specific issues and/or enter into negotiations with them to undertake joint actions and/or divide work by themes and/or geographical areas. However, the dynamic of the sectoral organization of State institutions is such that these arrangements often lead to low levels of mutual support and intractable turf battles. A partial solution to this is to place global programmes at a level above sectoral ministries and under the direct supervision of the chief executive. This is tantamount to giving a priority for global issues above sectoral ones. This can be effective for a very short list of issues on which there is both highest-level political will and massive public support.

## **BUREAUCRATISM**

The root form of bureaucratic organization is sectoral, hierarchical, and command and control oriented. Restrictions are generally placed on information (information as power) and communications (official channels). The combination of the foregoing commonly leads to the primacy or process, rules, and regulations over mission, substance, and results.

Bureaucracies tend to formulate sectoral, top-down policies on the basis of restricted information and narrow communications. Upon approval policies are issued as commands and executed through processes-oriented rules and regulations.

The more bureaucratic an organization the more difficult is adaptation to changing conditions. This has led to crises in highly bureaucratic organizations. The most bureaucratic of all, the Soviet model that attempted to create a bureaucratic society, has already collapsed by implosion. Highly bureaucratic public administrations, political parties, labor unions, international organizations, and corporations face varying degrees of crisis in the rapidly changing world of the new millennium.

The more progressive bureaucratic organizations are adapting through matricial organization and/or flat hierarchies, information and communications networking, customer service orientation, results-based management, vision and mission-driven leadership. Successful implementation of these elements requires profound organizational culture change, sometimes beyond the capacity of change management to deliver.

Alternatives to bureaucratism are emerging, although their contours are not yet fully discernible. The internet is an example. It is an expanding universe of networks of networks based on a minimum of protocols and rules. It has no owner, and no one really leads it or controls it. Governments and corporations are coming to terms with it, rather than the net coming to terms with them. For one thing, there is no one to negotiate with, co-opt, or buy-out, or even anywhere to visit outside of cyberspace. This leaves politicians, bureaucrats, and corporate executives without a clue. Despite the characteristics described the Internet is a reality over which billions of dollars move daily between financial markets, business to business commercial transactions, and retail sales. Even more significantly much of the information, communications (including e-mail), news, and entertainment is free. Cyber communities also form around web-sites based on communications and transactions.

The internet is global, non-hierarchical and based on open information and communications flows with a minimum of organization and rules. In these ways it is the antithesis of bureaucratism. Viewed as a form of social organization it is not entirely unprecedented. Mission rather than rule-driven, non-hierarchical networks of networks of change agents, utilizing information and communications as their principal power resources, have characterized social movements since the 19<sup>th</sup> century. The anti-slavery, labor, woman's suffrage, anti-colonial, environmental, and human rights movements are cases in point. They also formed global, non-hierarchical, expanding networks of networks of organizations and individuals whose combined resources and efforts have led to significant and often historic change.

#### **FOUR FACILITATING FACTORS**

To be successful accountability and anti-corruption policy formulation and implementation should be strategic, societal, holistic, and networked.

## **STRATEGIC**

The difference between strategic and tactical is not long or short-term. Strategic factors are those that have the greatest impact on accomplishing a mission or producing significant results in that direction. The most strategic decision might be required today or at a second's notice (as in life or death situations). Missions or objectives that posit significant changes or departures from existing reality, however, do tend to be long-term.

Labeling a variable strategic does not imply that action is deferred to the future. Long-term, strategic mission and objectives require short, medium, and long-term action. The phasing and sequencing of interrelated actions is an important part of the operationalization of policies for implementation.

The elevation of levels of accountability to reduce levels of corruption in a society is a strategic mission that is long-term. Immediatism and exclusively short-term actions cannot transform the objective and subjective bases of corruption at the economic, social, political, and cultural levels.

## **SOCIETAL**

It is not possible to have a clean government in a corrupt society, nor a clean society with a corrupt government. It is not even possible if one major institution is corrupt. One corrupt government agency will lead to corruption in others. A corrupt banking sector will corrupt business practices in general. If there is police, judicial, and audit corruption the defenses of society against corruption are themselves corrupt, and a society becomes practically defenseless.

Institutions generally do not reform themselves. Internal or external crises generally make reform absolutely unavoidable before significant reform actions are taken. Not only external drivers are necessary, but quite often external agents as well. Corrupt government requires inordinate pressure from other powers of state and/or society to undertake reform actions. Corrupt business practices require inordinate pressure from government to correct.

When corruption has become endemic and systemic, government, the private sector, civil society, and the citizenry must be organized for the fight against corruption that in turn will affect all of them.

## **HOLISTIC**

In addition to the requiring the concurrence of all social groups and the targeting of all sectors, the fight against endemic, systemic corruption also requires addressing both objective/external and subjective/internal factors.

Lawyers, auditors, and economists tend to emphasize objective, external factors such as legal frameworks, effective law enforcement and timely justice,

accounting/administrative systems, and incentives. These include both case-based investigation and prosecution and the strengthening of systems designed to prevent, deter, and detect corruption. These objective factors are sometimes considered “hard constraints” against corruption.

Subjective factors include values, attitudes, and their combination into sets of interpretative criteria and behavioral guidelines known as ethics. These are sometimes considered “soft constraints” against corruption.

Many national accountability policies and anti-corruption measures stress external over internal factors. Hard constraints are considered by some to be more rational and productive while soft constraints are considered quixotic or utopian. Two caveats are in order on this position.

The first caveat is that control systems and the information systems that support them are two of the principal sources of bureaucracy and bureaucratism. They can sacrifice effectiveness on the altar of accountability. Effectiveness is defined as the level of efficacy in the achievement of objectives divided by the cost in achieving them multiplied by their level of acceptance. High efficacy in the achievement of results, high efficiency in the management of resources that lowers costs, and high acceptance by actors and stakeholders is the basis of aggregate effectiveness. The specifications for objective control mechanisms should demand information systems that improve accountability at the same time as they enhance efficacy, efficiency, and acceptance. This is possible through the combination of the power of transparency with contemporary information technology. Simple, transparent systems not only improve accountability but also efficacy, efficiency, and acceptance. They are also a benefit for honest actors. They are victims of ponderous systems that generate large volumes of work of little or no value. Care should be taken to discontinue old systems after new ones are introduced and consolidated. The systems of many organizations are like fossils in geological layers that are the cumulative remains of past reform efforts.

The second caveat is that soft constraints may be more powerful than hard constraints in the fight against corruption. When ethics, morality, and supporting religious beliefs are strong honesty can prevail even in conditions of serious deficiencies in objective, external, hard constraints. Inversely, when there is great weakness in subjective, internal, soft constraints, perverse ingenuity finds ways and means to defeat even the most draconian external controls.

Professional ethics have long been one of the defining criteria of professions themselves. The private sector in recent years has emphasized ethics to a much greater extent than the public sector. It recognizes the high cost for business of lax ethics and the need of ethical underpinnings for external controls. Both are equally relevant for the public sector.

Also of relevance to a holistic approach is the targeting of both passive and active corruption. Passive corruption is when non-corrupt officials do not denounce the corruption of their colleagues. In the case of police and the judiciary it is a crime and

betrayal of the public trust. In all cases it constitutes complicity as well as an entry levels to active corruption.

Education, training, and social communications are the actions that can transform group, organizational, and national cultures on ethical issues. Continual, sustained, long-term action can transform culture, as can breakthrough events and processes in shorter time frames. Among the latter one may cite the subjective impact of objective actions. Hong Kong citizen's protests, Milan judges, Philippine investigative journalists, Brazilian media backed by citizen's marches, the Ecuadorian congress, a Colombian police chief, Indonesian NGOs, and the Pakistani army have all undertaken actions that increase levels of citizen consciousness of the pervasiveness, cost, and consequences of corruption. Processes of economic, social, and political renewal or reconstruction present opportunities for the transformation of organizational and national cultures.

## **NETWORKED**

Strategic, societal, and holistic policies require networked formulation and implementation. Long-term, sustainable policy with the participation of the public and private sectors and civil society and the citizenry, at both the objective and subjective levels, requires networked formulation and implementation. This is tantamount to a broad-based movement to obtain economic, social, political, and cultural transformations.

Transparency is a critical enabling environment for anti-corruption movements, as well as for the elevation of levels of accountability. Transparency involves information and accountability acts. Open access to information and the free flow of information are essential for determining responsibility for acts, as well as their classification as licit or illicit.

A networked movement in an environment of transparency can strengthen accountability through multiple layers of mutually re-enforcing oversight and monitoring. These include executive, legislative, auditing, police, and judicial oversight of public functions and private transactions, as well as monitoring by the media, academia, NGOs, private sector organizations, and the citizenry.

Among these mechanisms are social audits whereby groups of citizens are empowered to oversee official entities or projects in their communities, thereby transforming their monitoring into an additional layer of official oversight. Transparent information (for example, the amount of funds from all programmes destined to a particular school, the lists of materials to be employed in a construction or maintenance project, or the personnel that should be serving) is the basis of this oversight. It in turn can constitute a "citizen's channel" for accountability information flows. Useful in this regard is the intensive, evidence-based methodology developed by the international NGO "Community Information, Empowerment, and Transparency" (CIET). The objective is to ensure two-way information and communications flows (top-down and bottom-up, with the bottom being the truly grass roots level).

The advisability of multiple layers of oversight and monitoring is supported by the measures that have proven effective in extreme situations of corruption. They pose many lessons for countries that are well along the way to similar situations, lack consciousness of the seriousness of the threat, but still have reaction time. One extreme case that should be closely studied is Colombia. There the battle against the drug cartels, and the accompanying massive corruption of national institutions, has been partially successful due to the employment of multiple institutions empowered to investigate the cartels and each other with equal vigor.<sup>2</sup> The Medellín and Cali cartels were broken in this fashion, while top-level involvement was also revealed, including that of a President.

The Colombian case also demonstrates the importance of honest, courageous leadership at the top of key institutions. Without a courageous police chief it would not have been possible to break the Medellín cartel, This is not only necessary for the efficacy of the institution involved, but also for its inspirational, motivational, and confidence-building value for other official institutions and the broader networks of networks involved in the struggle against corruption. These include the media, NGOs, and the citizenry at large.

Finally, networks of networks of change agents are important for moral support and even physical protection. Anti-corruption is a dangerous business. Transparency, peace, and human rights movements in adverse conditions (for example, Colombia and Guatemala) have found that national and international publicity and high public profiles can increase the costs of retaliatory acts by their adversaries. Sometimes it is the only defense. In Colombia this has been the case in the midst of a national situation in which it has been necessary to have masked judges as well as a witness protection programme with relocation outside the country.

The Colombian case also indicates that accountability and anti-corruption policies cannot concentrate only on administrative “white collar” corruption. In addition to retail corruption (be it petty corruption linked to bribes to access rights and services or grand corruption linked to contracts and foreign exchange), the wholesale corruption generated by “blue collar” criminal organizations and drug cartels, as well as their money laundering, must receive first priority. These forms of illicit activity not only corrupt officials, but also official institutions and the political system. Indeed, they can corrupt entire communities and societies as well. The Chicago of Al Capone has been replicated in numerous Latin American and Caribbean countries.

Multiple layers of oversight and monitoring through a veritable social movement might be considered over-kill and inordinately expensive. However, the costs of corruption are far greater in societies with endemic, systemic corruption. This is not only true in monetary terms, but also due to the loss of legitimacy. The latter stems from the nonuse,

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<sup>2</sup> “Partially successful” is the description in that although the large cartels were successfully broken up they were immediately replaced by a multiplicity of smaller, more agile, and less-well known cartels (for example, Northern Valle or Yopal cartels). These have proven harder to control. They have also forged alliances for military protection from politically-oriented guerrilla movements that control large areas of the Colombian country-side. They have also become the most important part of the economy in many localities. These factors have provided them with a social and political base not unlike that of the guerrilla. The guerrilla on the other hand is achieving an economic base not unlike that of the cartels.

misuse, and abuse of institutions and the institutional decay derived therefrom. Corrupt societies eventually have low self-esteem and that can be as damaging to country as it is to an individual.

In sum, networks of networks are necessary to make anti-corruption policy formulation and implementation strategic, societal, and holistic, as well as to increase levels of transparency of information, accountability for acts, efficacy in actions, and protection for the lives and rights of change agents and the citizenry.

## **CONCLUSION**

The limitations of immediatism, governmentism, sectoralism, and bureaucratism may be minimized through accountability and anti-corruption policy formulation and implementation that is strategic, societal, holistic, and networked.

(GOVERNANCE POLICY PAPER BANGKOK 0002 13-MISSIONS-RGP-UNDP-MD/32/000215/10)

**SEMINAR ON INSTITUTIONAL EXPERIENCES ON  
GOOD GOVERNANCE AND FIGHTING CORRUPTION  
BANGKOK, THAILAND  
17 FEBRUARY, 2000**



## **GOVERNANCE POLICY FORMULATION AND IMPLEMENTATION**

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*Four factors which*



*Condition Policy Formulation and Implementation Failures*



- **IMMEDIATISM**
- **GOVERNMENTISM**
- **SECTORIALISM**
- **BUREAUCRATISM**

Four Factors which



Facilitate Policy Formulation and Implementation

**PARAGON**

*POLICY SHOULD BE :*

- STRATEGIC
- SOCIETAL
- HOLISTIC
- NETWORKED

**CONCLUSION**



**PARAGON**

IMMEDIATISM, GOVERNMENTISM,  
SECTORALISM AND BUREAUCRATISM  
MAY BE MINIMIZED THROUGH  
STRATEGIC, SOCIETAL, HOLISTIC AND  
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