

# Global Challenges and their Implications for Public Sector Reform in Developing Countries



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# Presentation Outline

- Past problems and developing countries responses
- What have been achieved?
- Current global risks.
- Characteristics of Current Global Challenges
- Problems with current public sector approaches.
- Paradigm shift needed for public sector reform.

# Past Problems and Developing Countries Responses

No	Period of Action	Problem	Actions and approaches taken
1	Post-independence	How to put the governments on an orderly efficient footing?	“Weberian” public administration and capacity-building
2	1970s to present	How to have the governments closer to the grassroots?	Decentralization
3	1990s to present	How to have the governments perform better and deliver on key objectives?	New Public Management
4	1990s to present	How to have the governments be more honest?	Integrity and anti-corruption reforms

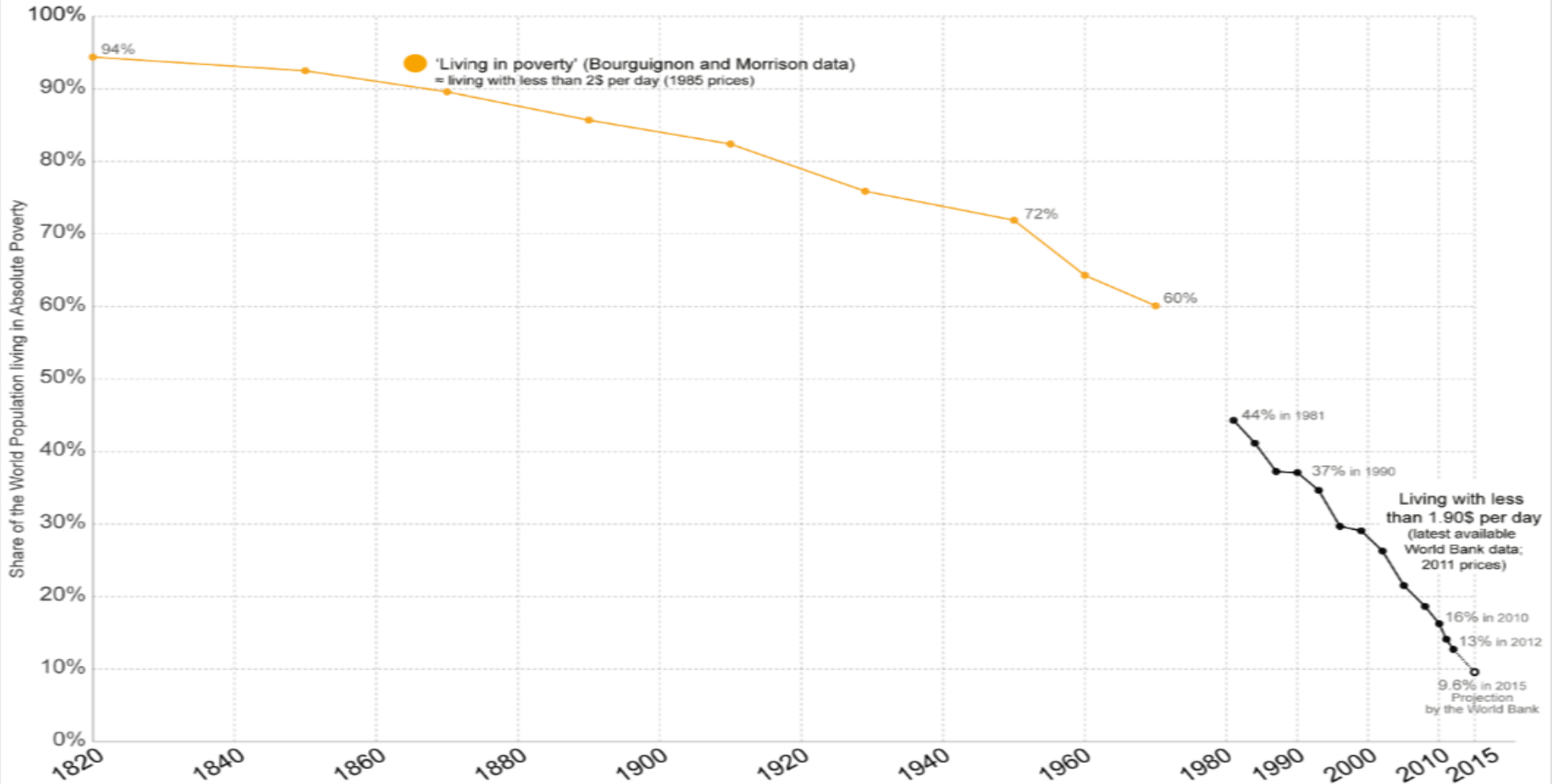
Adapted from McCourt, 2013.

# What Have Been Achieved?

Our World  
in Data

## Share of the World Population living in Absolute Poverty, 1820-2015

All incomes are adjusted for inflation over time and for price differences between countries (1985-PPP before 1970; 2011-PPP after 1970).



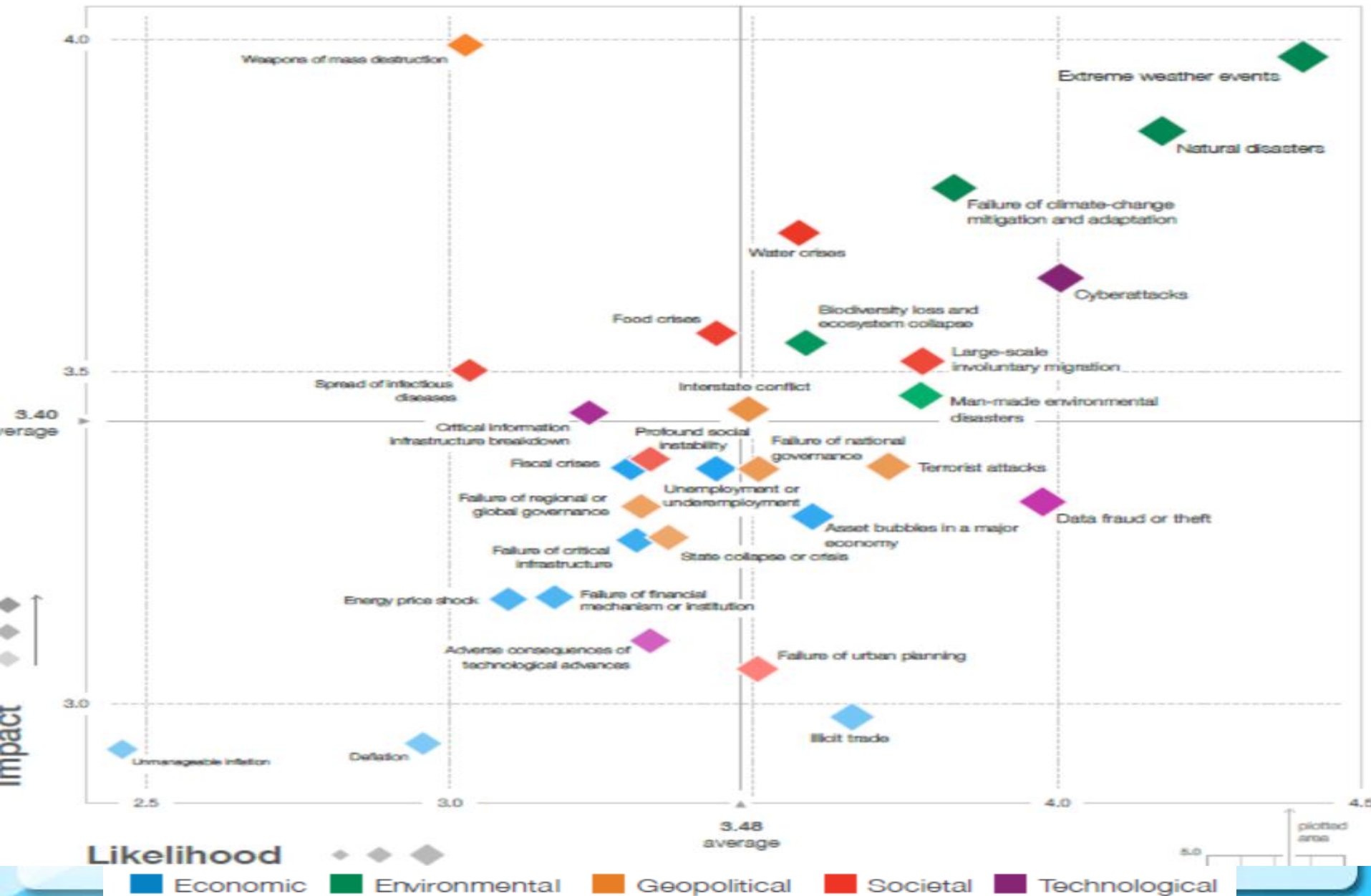
Data sources: 1820-1970 Bourguignon and Morrison (2002) - Inequality among World Citizens, In The American Economic Review; 1981-2015 World Bank (PovcalNet)

The interactive data visualisation is available at [OurWorldInData.org](http://OurWorldInData.org). There you find the raw data and more visualisations on this topic.

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# The Global Risks Landscape 2018



# Current Global Challenges - The United Nations Research Institute for Social Development (UNRISD, 2016)

Poverty  
and hunger



Climate change,  
environmental  
degradation



Unsustainable  
growth, economic  
crises



Lack of access  
to technology



Migration, flight,  
displacement



Lack of decent  
work and social  
protection



Health  
epidemics



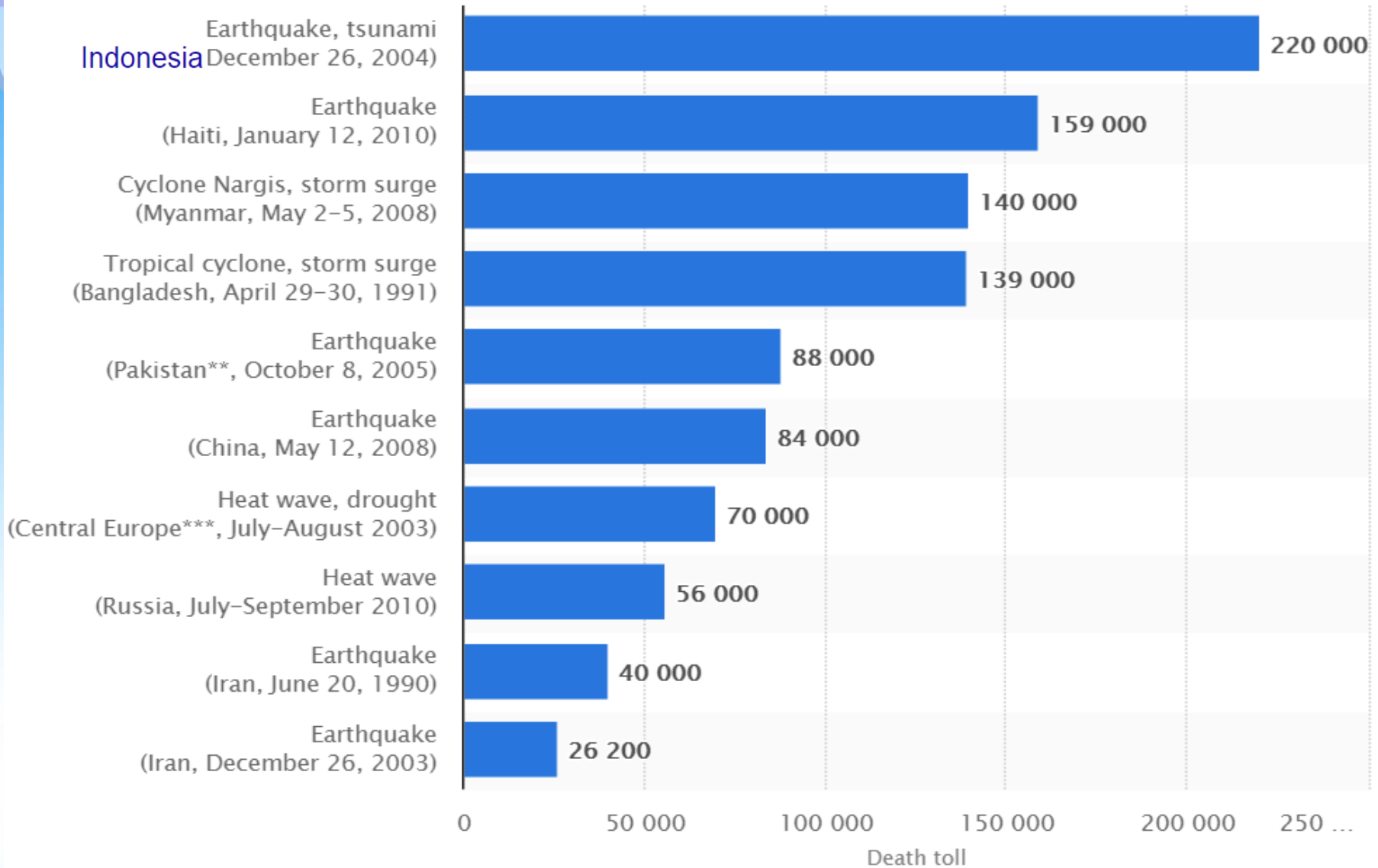
Inequality,  
social exclusion



Political instability,  
insecurity,  
violent conflict



# 10 most significant natural disasters worldwide by death toll from 1980 to 2017



# Environmental Degradation

- The world has already lost 80% of its forests and we're continually losing them at a rate of 375 km<sup>2</sup> per day! More: [Consequences of Depletion of Natural Resources](#)
- At the current rate of deforestation, 5-10% of tropical forest species will become extinct every decade.
- Every hour, 1,692 acres of productive dry land become desert.
- 27% of our coral reefs have been destroyed. If the rate continues, remaining 60% will be gone in 30 years. More: [Threats on Coral Reefs](#)
- We have a garbage island floating in our ocean, mostly comprised of plastics - the size of India, Europe and Mexico combined! More: [Garbage Islands in the Ocean](#)
- We are using up 50% more natural resources than the Earth can provide. At our current population, we need 1.5 Earths, which we do not have.

<http://www.theworldcounts.com/stories/environmental-degradation-facts>



# Water Crisis

- **2018:** Worldwide, 2.1 billion people still live without safe drinking water in their homes
- 844 million people lack basic drinking water access, more than 1 of every 10 people on the planet.
- The average woman in rural Africa walks 6 kilometers every day to haul 40 pounds of water.
- Every day, more than 800 children under age 5 die from diarrhea attributed to poor water and sanitation.
- 2.3 billion people live without access to [basic sanitation](#).
- 1 billion people practice open defecation.
- 90 percent of all natural disasters are water-related.

<https://www.worldvision.org/clean-water-news-stories/global-water-crisis-facts#facts>

# Characteristics of Current Global Challenges

- Complex, relentless (i.e. not amenable to time-bound solutions) and contested (Bourgon, 2011).
- Often unexpected, hard to predict, and difficult to measure.
- Considered as wicked problems, cannot be addressed through single interventions and technical fixes administered by individual public agencies working alone (Robinson, 2015)



# **Global Challenges and Public Administration and Management**

# Modes of Main Public Sector Approaches

## 1. Old Public Administration

- Based on hierarchy and meritocracy principles
- Relied on centralised control, set rules and guidelines
- Efficiency and effectiveness as the keywords

## 2. New Public Management

- An attention to learn from private-sector management
- A focus upon entrepreneurial leadership within public service organizations
- An emphasis on input and output control and evaluation and on performance management and audit
- policy implementation is organizationally distanced from the policymakers
- The growth of use of markets, competition and contracts for resource allocation and service delivery within public services.

# Problems with Old Public Administration Approach

- Insufficient attention to the dynamics of politics and political economy
- Attempt to transplant one country's organizational structures and practices to another without consideration of contextual differences
- Overemphasising downsizing and cost cutting
- Fail to integrate reform activities into a wider policy and organizational framework.

(McCourt, 2013; Rao 2013)



# Problems with New Public Management Approach

- Weakening democratic accountability and fail to foreground the needs of citizen (Minogue et al 1998)
- Diminished coherence accross government (Denhardt and Denhardt, 2000).

# Which Innovations Drive Transformative Change?

UNRISD (2016) report on Policy Innovations for Transformative Change

1. Public policies that are integrated, synergistic and reverse normative hierarchies
2. Markets that work for society and the environment
3. Empowered participation and accountable, effective institutions
4. Universal, human rights-based approaches that aim to leave no one behind

# Paradigms Shift for Public Sector Reform

Aspects	Old public administration	New Public Management	→	New approach
1. Theoretical foundations	Political theory, naïve social science	Economic theory, positivist social science	→	Democratic theory
2. Rationality and models of human behaviour	Administrative rationality, public interest	Technical and economic rationality, self-interest	→	Strategic rationality, citizen interest
3. Conception of the public interest	Political, enshrined in law	Aggregation of individual interests	→	Dialogue about shared values
4. To whom are civil servants responsive?	Clients and constituents	Customers	→	Citizens

# Paradigms Shift for Public Sector Reform

Aspects	Old public administration	New Public Management	→	New Public Service
5. Role of government	“Rowing”, focused on politically defined objectives	“Steering”, serving as catalyst to unleash market forces	→	“Serving”, negotiating and brokering interests among citizens
6. Mechanisms for achieving policy objectives	Administering programmes through government agencies	Creating mechanisms and incentives through private and non-profit agencies	→	Building coalitions of public, non-profit private agencies
7. Approach to accountability	Hierarchical - administrators responsible to elected leaders	Market-drive- outcomes result from accumulation of self-interests	→	Multifaceted-public servants guided by law, values, professional norms and citizen interests

# Paradigms Shift for Public Sector Reform

Aspects	Old public administration	New Public Management	→	New Public Service
Administrative discretion	Limited discretion granted to public officials	Wide latitude to meet entrepreneurial goals	→	Discretion needed but constrained and accountable
Assumed organizational structure	Bureaucratic organizations with top-down authority and control of clients	Decentralized public organisations with primary control within agency	→	Collaborative structures with shared leadership
Mechanisms for achieving policy objectives	Administering programmes through government agencies	Creating mechanisms and incentives through private and non-profit agencies	→	Building coalitions of public, non-profit private agencies

Source: Adapted from Denhardt and Denhardt (2000, p.554)



# Conclusion

- The history has shown that public sector has experienced with reforming themselves to the challenges
- Current challenges is more complex and unpredictable
- Old Public administrative approach and New Public Management is not compatible with the current challenges
- New Public Services is required to be adopted to meet the global challenges where the focus of public management is citizens, community and civil society and the primary role of public servants is to help citizens articulate and meet their shared interests rather than to control or steer society.

# The End - Thank You

*Gamsahamnida.*

김시합니다



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