

Making Public Sector Reform Work in the South Pacific

Mark Turner

Professor of Development Policy and Management
University of Canberra
Canberra, Australia

Introduction

Assertions of the importance of public administration reform (PAR) for developing countries are not new. They have a history stretching back to the achievement of formal political independence and even into the colonial period. Surprisingly many of the sentiments expressed in these times still have resonance today. For example, in a 1961 UN handbook the authors provided the following advice which seems as pertinent today as it was then:

To an ever-increasing degree, the effective utilization of national resources depends on the sound economic and social programmes, whose success in turn depends upon an effective public service. To build a good administration is a long and painful task. Quick and easy results are not to be expected...For developing countries where sudden demands on government are often greatest, the task of administrative improvement presents special problems whose solution requires a new sense of direction and a determination to overcome many obstacles. Administrative reform requires a high standard of leadership, sustained and continuous attention and a sizable commitment in terms of men, money and material (UN 1961: 5-6).

South Pacific Island states were relative latecomers to political independence, most handovers occurring in the 1970s, but all relied to a considerable degree on their public services and statutory bodies to produce the developmental gains anticipated by their citizens. The administrative legacy of colonialism was bureaucracy, in the sociological sense of the term. It was occasionally attacked by the new political leaders. For instance, Michael Somare, the Prime Minister of Papua New Guinea, thought the public service an alien apparatus, designed for alien purposes, working with inappropriate technology and very expensive (Somare 1974; Ballard 1981). Despite such characterisation, both Somare and other South Pacific leaders made only incremental changes, simply 'tinkering' with their administrative organisations until at least the mid-1980s and often beyond (Turner and Kavanamur 2009). Even when official reports warned that public administration was not responding to national plans and priorities, such as the ToRobert Report in PNG in 1979, the authors still recommended incremental approaches. Even deteriorating economic and political circumstances failed to persuade many Pacific Islands governments to take bolder steps which might make a positive impact on the performance of the public service to tackle the increasing number of wicked policy problems.

What's Pushing PAR Today?

For more than a decade PAR has risen from a low priority among Pacific Island states to a key matter of concern. Pacific countries have experienced with other developing countries a series of impetuses which are pushing governments to take PAR seriously (UNDP 2005). These include some combination of:

- To promote international competitiveness
- To promote sustainable development
- To complement democratisation
- To address the breakdown or weakening of administrative systems
- To pursue good governance

There is no easy measurement of the relative strengths of each factor for a particular country's PAR. While it is a fair assumption that efforts in the Solomon Islands are greatly impelled by the need to address the breakdown of administrative systems it is much harder to give a definitive answer for Tonga or Tuvalu. What is clear, however, is that all South Pacific Island governments have embraced PAR as a necessary area of action.

Do Actions Speak Louder than Words?

Since the early 1990s there has been no shortage of PAR initiatives in the Pacific. While the level of interest and the scope and scale of action has varied considerably between countries there have always been projects and programs aimed at reforming creaking bureaucracies across the island Pacific. But there has not been much good news, Samoa being the obvious exception to this generalisation.

The example of PNG, 1994-2004, is illustrative of constant PAR activity with many fine statements of intention but little to show for them. A flood of reports agreed that virtually all aspects of public sector management required urgent attention. The World Bank got the ball going in 1994 with a Structural Adjustment Program (SAP) with conditionalities focusing on PAR (Turner and Kavanamur 2009). Little was achieved and only the intervention of the President of the World Bank kept the money flowing. A new Prime Minister, Bill Skate, then introduced his own PAR program which one commentator described as 'structural adjustment without loans' (Filer 2000). The election of yet another Prime Minister, Mekere Morauta, in 1999 was accompanied by a Structural Reform Program, so named to distinguish it from the unpopular SAPs but the contents had a clear kinship. Money poured in from the World Bank and Asian Development Bank to support reforms in such areas as financial management and privatisation. In 2001, a separate loan was also obtained from the ADB for the Public Service Program 'aimed at supporting policy and institutional reform to build a performance-based public sector and reorient human resource management systems and processes' (Turner and Kavanamur 2009: 19). The PAR gathered further momentum with the Strategic Plan for Supporting Public Sector Reform in Papua New Guinea 2003-2007, the Public Expenditure Review and Rationalisation Program (PERR) and finally, in 2004, the Public Sector Workforce Initiative. May (2009: 35) notes the 'plethora of 'programs' and 'initiatives'' but is circumspect when evaluating their implementation and impact. One gauge may be that, despite all these activities, it is not expected that PNG will achieve any of the Millennium Development Goals (MDGs) by 2015.

Such experience led to an inevitable disillusionment, albeit temporary, among stakeholders about the prospects for substantial positive reform although the case of Samoa clearly demonstrated that there was not some special and virulent pan-Pacific anti-PAR virus that produced disappointing PAR results in PNG

Reinvigorated Interest

Failure has not budged donor prioritisation of PAR in the Pacific. PAR is still perceived as one of the keys to unlock developmental success, a fact clearly demonstrated in AusAID's latest policy initiatives for the region:

Administrative governance sits besides political and economic governance as a critical element of a functioning state. A well functioning public sector is also critical for poverty alleviation (AuAID 2009).

Thus, in the 2009-2009 budget, the Australian government has committed to the 'Investing in Pacific Public Sector Capacity Initiative', a four-year regional program costing A\$107 million.

This program, which was supplemented in the 2009-2010 budget by the broader Improving Responsiveness and Accountability in Government initiative, seeks to work with partner governments in the Pacific to:

- Address their workforce development needs, including human resource management practices, and providing training and development for public service employees
- Assist them in planning and implementing public sector reform to improve governments' performance
- Establish strong and enduring partnerships to support tertiary sector capacity between Australia and the region, particularly between governments and tertiary institutions

There are more specific objectives and activities such as providing '20,000 training opportunities for Pacific public servants to improve core writing, accounting and administrative skills' and 2,000 leadership development opportunities (AusAID 2009). The Pacific Public Sector Linkages Program continues as a vehicle to enable 'agencies at Commonwealth, State and Territory levels to work with their Pacific and Papua New Guinea counterparts to address developmental issues' (AusAID 2009). The most intriguing and potentially the most promising initiative is for a Pacific Islands Centre for Public Administration (PICPA) which aims to improve administrative governance ie better quality policy and its implementation. The vision for PICPA is as a specialist Pacific centre which will supply advice and support on PAR to Pacific Islands governments, responding to their requests for assistance and building a network of Pacific PAR expertise into a learning organisation characterised by deep understanding of the different Pacific experiences and able to furnish assistance which is timely, of high quality and in demand from the region's governments.

The Best Laid Schemes of Mice and Men

While the politicians of the region and donors constantly reiterate the centrality of public administration in development and the urgency of reform the record of achievement is patchy at best and, in some cases, barely discernible. The leading concern is whether the dominant stakeholders in previous PAR initiatives have learned from the lessons of experience and are both better equipped and more committed to making PAR work. In the past, a variety of factors have worked against successful PAR. Appreciation of these factors is essential if the latest round of PAR interventions is to result in more positive outcomes for the peoples of the South Pacific. While the following list is not claimed to be exhaustive, it does cover some of the major issues which must be taken into account and acted upon if positive PAR outcomes are to be achieved. Note that there is necessarily some overlap between the items listed as the problems to which they refer do not acknowledge clearly demarcated boundaries. Fuzziness, intersection and partial similarities are evident.

Policy Implementation

There has been no shortage of policies for PAR in the Pacific. Policy-makers have provided a steady flow of diverse initiatives over many years. However, evaluations of these initiatives consistently identify poor implementation as a major reason explaining poor performance, some initiatives even disappearing without trace as our PNG case study has shown. The lesson is simple: when designing policies attention must be paid to their implementation, especially to the question of 'what can go wrong'. We should try to 'anticipate failure' and make appropriate preparation. Obviously we cannot plan for all eventualities and must be flexible. We can also identify some of the areas of weakness, where implementation may lead to policy failure. An insightful list of implementation problems, the 'notorious nine', encountered in development projects was proposed by Gow and Morss (1988) more than two decades ago but still has resonance today:

1. Political, economic and environmental constraints eg local and national politics

2. Institutional realities eg administrative capacity, selection of project agencies for implementation
3. Host country personnel limitations eg not enough persons with appropriate technical and administrative skills
4. Technical assistance shortcomings eg disagreement over roles TA personnel should play
5. Decentralisation and participation eg these features do not automatically guarantee project success and can even be negatives when handled badly
6. Timing eg delays in start-up and during implementation
7. Information systems eg designed but not used effectively for stakeholders
8. Differing agendas eg different goals of different actors
9. The bottom line: sustaining project benefits eg project incurs recurrent costs which are beyond budget limitations

Of particular importance among implementation problems is politics. The implementation phase of the policy process is where stakeholders engage in political manoeuvring to influence the allocation of scarce resources. Thus, implementation is not simply doing what has been decided but involves constant negotiation between stakeholders and may entail reform champions making compromises to ensure that the important elements of reform initiatives remain intact and fully supported. What is politically feasible (not simply what is technically feasible) becomes a key matter for increasing the chances of PAR success.

Smallness

There is a longstanding debate on the influence of size on appropriate models of administrative governance. Some authors have argued that smallness (and in the Pacific case – islandness) demand particular responses to ensure the efficiency and effectiveness of government (Murray 1981; Schahczenski 1990; Baker 1992). Kersall (1987) summarised various authors' views to come up with a framework for 'minigovernment', as distinguished from the normal bureaucratic structures found in larger developing countries:

1. Reduce the size of government
2. Eliminate some government activities altogether
3. Reduce the load on public services; avoid taking on more and more responsibilities or, better still, privatize.
4. Make officials perform multiple duties.
5. Avoid job classification. Let officials define their own tasks and carry them out
6. Assign tasks to teams rather than to individuals (Kersall as cited in Wijeweera 1992)

Concern with identifying the particular demands of smallness/islandness has faded in recent years as comparative differences have become more apparent. For example, why have Fiji and Mauritius experienced such different governance trajectories while having so many features in common? Also, features such as financial strength, resource endowment, educational levels, and the accidents of geographical location may be more influential than smallness/islandness in determining appropriate governance structures. Furthermore, flexibility and adaptability in management are not features peculiar to small island management. There is a vast management literature stretching back 50 years which advocates such responses to the variable environmental conditions in which all organisations are set. Flexibility and adaptability are seemingly required everywhere and not simply in small island states.

Difference or Sameness in the Pacific?

When talking of Pacific Island states we run the risk of assuming that share the same characteristics and therefore similar PAR initiatives will be universally appropriate whether in PNG or Palau. Such misdiagnosis derives from careless observation, professional bias and views of an all-encompassing 'Pacific Way'. The idea of sameness does not even stand up too well to geographical scrutiny. PNG has a large landmass and currently 6.1 million inhabitants

more than 3 times the population of the rest of the Pacific Islands. The main island of Fiji may be small in size and population in global terms but when compared with Palau, Nauru or the Cook Island it can be seen as belonging to another scale altogether.

Cultural differences can also be profound. For example, there are considerable contrasts between Melanesia and Polynesia in the perceptions and practices of authority and leadership, major considerations when embarking on programs of PAR. Thus, the anthropologist Sahlins (1963) distinguished between Melanesian big men and Polynesian chiefs as follows:

Big man

- Personal power
- Status gained through the demonstration of skills (eg magic, oratory, bravery)
- Status gained and maintained via generosity in the distribution of wealth
- Influence over fluctuating factions

Chief

- Power resides in the position, not the person
- Authority over permanent groups
- Status inherited, not achieved
- Authority to call upon the support of others without inducement (McLeod 2008).

While acknowledging that one should not perceive Pacific cultures as static, McLeod (2008) shows how elements of these conceptual models are maintained and intermingle with the practices of democracy and modern administration. However, they may not fit so well with the demands of good governance espoused by donors and at least acknowledged by recipients. But this lack of fit can be used 'to understand where the holes in good governance are and to subsequently formulate a cooperative approach to the improvement of governance in the region' (McLeod 2008: 14).

The Appropriateness of Foreign Models

The design and implementation of PAR in Pacific Island states has largely been a matter of policy transfer. Reforms are flown in from countries of origin to be planted in foreign soil. While such policy transfer has a long history in PAR, it is possible that some initiatives are ill-advised and inappropriate for certain settings. The introduction of performance agreements for senior officials of the Vanuatu public service in 2002 was one such ill-starred venture. While the objective of the reform was universally supported – to improve public service performance – the means of accomplishing it was not. Performance agreements were greeted with suspicion and hostility by the affected public servants, incentives were absent, while technical problems were evident (O'Donnell and Turner 2005). What happened was a transfer of a reform from the rich countries of the region, one which occupied the middle ground between voluntary and coercive but which was inappropriately conceptualised, designed and implemented. The performance agreement initiative faded into oblivion as the donor support for it ceased.

The story of performance agreements in Vanuatu contrasts with the success of performance contracts in Samoa. There, the government 'was unusually willing to articulate its desires and to reject approaches and individual activities which did not fit with its priorities' (Delay 2005: 434). In short, the Samoan government assumed ownership. One of the lessons of the two cases is that policy transfer is not inherently bad. Policy transfer can work. However, a PAR initiative can never be transferred intact from one place to another. There must always be modifications to suit the new circumstances. In some instances the policy can be totally inappropriate. The danger for Pacific Island countries is that powerful donors can foist such policies on small weak states or that Pacific Island politicians seek the latest initiatives from Australia or New Zealand so they too can be seen to be at the cutting edge of public administration.

PAR Champions

PAR stands little chance of success in Pacific Island countries if it does not have champions. These champions must be from the ranks of senior politicians and administrators, persons of power and influence. They need to generate widespread support for PAR among public servants and the public at large. All must appreciate the value of PAR and it is the role of transformational leaders to ensure this occurs and that the momentum of reform is maintained. It is also essential to obtain successes, instances where service improvement can be seen and appreciated or that the government really means business in its anti-corruption policy.

Unfortunately such ideal conditions rarely prevail in Pacific Island states. While all politicians pay lip-service to PAR, converting what may be genuine intentions into practice has proved to be far more difficult. Political instability has been particularly damaging for PAR. Incumbent governments focus on how to stay in office rather than on long-term policy issues. They may even try to buy support through pork barrelling. Patronage rather than genuine popular participation becomes the prevailing system. Votes are not acquired by spruiking one's PAR credentials. When new governments come into office they may have little regard for their predecessor's policies as they wish to stamp their own mark. Thus, there is a failure to achieve that essential condition of successful PAR, that is, sustained support from stable government.

Connecting with Civil Society

In many areas of the Pacific what is most notable about the state is its relative absence. Officials are rarely seen and government services patchy at best and virtually non-existent in some instances. Thus, Hegarty (2009: 5-6) reports a 'falling away of *government* at the local level' in Melanesia coupled with the 'inappropriate disbursement of cash, which swamp local capacities and warp expectations at the community level'. So who does provide services and governance? Hegarty (2009) identifies the formation of numerous community-based groups engaged in diverse activities which can be seen as an emerging civil society. He cites one estimate of 3000 community women's groups and 10 or more women's associations in the Solomon Islands. Also of great importance are the various churches which often work in association with the community groups whose common objective is to improve the welfare of rural populations. Hegarty (2009) provides case studies of this new civil society in action: a Church-supported program of building community health centres in the Southern Highlands of PNG; the work of two urban settlement leaders in Port Moresby to bring about peace and order through a Peace, Good Order and Community Development Association'; and the rebuilding of relationships, infrastructure and business in the Marau area of Guadalcanal, Solomon Islands, through the Marau Community Association.

While there is no consensus on the significance of this emergent civil society it does seem to offer opportunities for collaborative governance. There are possibilities for cooperation with government to improve service delivery and it is improved service delivery that citizens actually want. A recent summing-up at a conference on participatory governance in Madang, PNG, noted that communities find it difficult to conceptualise abstract notions such as 'governance' and 'voice' but are clear what service delivery is and consistently identify it as their 'number one' expectation (Hegarty 2009: 13). It should also be the government's number one priority and be the focus of PAR action and discourse. Functioning clinics, regular visits from extension workers, roads, schools with teachers and equipment, electricity and water are what citizens want.

Accountability

In the history of PAR in PNG between 1994 and 2004 and in the ill-fated experiment with performance management in Vanuatu it is apparent that there was little accountability for the various interventions. Yet without accountability it is difficult to see how PAR can be expected to

produce the planned outputs and outcomes. Government performance is unlikely to improve. The situation with PAR in the Pacific has too often been one in which accountability is lacking. Politicians and government officials certainly do get thrown out of office (and sometimes into jail) regularly by the electorate but this is a function of intense political competition rather than the systematic operation of strong institutions that are used by the public to hold officials accountable for their actions. Officials should be obliged to report, justify and be judged on their actions but all too often this does not occur.

There is a shortage of effective accountability institutions across the Pacific presently seen most alarmingly in Fiji where an authoritarian regime operates. But even where electoral democracy is the regime type there are too few mechanisms by which officials are held to account and even less that perform well (eg Larmour 2000, 2005). There are some bright spots such as the substantial improvement in public auditing in the Pacific over the past decade (ADB 2008). However, there is distinct shortfall in the institutional means by which citizens can hold their governments to account. Relevant officials are often distant and out of sight; people don't know who makes decisions and who has responsibility for their implementation; media are generally government-owned and operated; information does not flow; the idea of popular participation in government beyond elections is lacking; different levels of government may disown responsibilities leaving a bemused citizenry which is unfamiliar with their rights.

Conclusion

The 'long and painful task' of building effective public administration identified at the outset in the UN's 1961 handbook remains unfinished in the Pacific almost 50 years after the observation was made. There is much to be done with some countries requiring considerably more building than others. Also, the lists of necessary reform items vary from country to country while similar items will require different treatment in different Pacific contexts. While Pacific Island countries may share common features and interests there are also profound differences necessitating the tailoring of PAR initiatives to specific country contexts. Support for PAR from the donor community is strong. Indeed AusAID argues that it is one of the keys to achieving the MDGs and alleviating poverty in the region and has thus increased the allocation to PAR. However, as we have seen there is much to do and many obstacles to overcome in PAR is to bring better services and improved welfare to Pacific Island populations.

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