

ICPS newsletter

Clear government decision-making processes reduce corruption

Prevention of corruption is less expensive and more effective than enforcement, because public policy procedures, through improving the decision-making process, can prevent corruption. Anti-corruption measures should be part of the overall improvement in the system of public administration. Commissioned by the World Bank Institute, ICPS experts studied how decision-making procedures impact on reducing corruption. Research consultation was carried out by Mr. Alex Sundakov, Director of the New Zealand Institute for Economic Research. This case study highlights the effectiveness of using public policy mechanisms as a means of refocusing government machinery to privilege public over private interests

focus on the broader policy directions. Thus, instead of considering individual privileges or debt offsets, they now focus on broad policy. This itself improves the quality of decisions. While it may not have been worthwhile to challenge an individual privilege, it has now become worthwhile dealing with the overall issue of privileges.

New interim agenda of the Cabinet of Ministers

An interim agenda of the Cabinet of Ministers absorbs and formalises all changes in the organisational procedures for work within the government. The agenda requires decision options to be analysed and compulsory consultations to be held. Currently, an interim agenda is being introduced that generates the need for additional technical assistance, new procedures and skills.

Control of the policy agenda

Key changes were introduced at the beginning of 2000. The first was setting up a regime where, by-and-large, only decisions taken at properly constituted meetings of government committees and the Cabinet of Ministers had the legal standing of Cabinet resolutions. While some resolutions still continue to be issued through the informal and chaotic endorsement (*vizuvannia*) process, these have become the exception rather than the rule.

By restricting itself to properly constituted meetings, the Cabinet of Ministers has been able to ensure that individual decisions which were not consistent with the desired policy direction do not get through the process. This alone has prevented many corrupt resolutions from getting through, since officials are rarely able to convince ministers of their priority. Moreover, this change ensured that every member of the Cabinet knew what was and was not being worked on, increasing the transparency of the process.

Adherence to this strict regime has given the Ukrainian government considerable protection from various lobbying efforts. That is, when the decision-making process became transparent and its agenda was clearly defined and made publicly available, it became easier to explain why a particular request could not make it onto the agenda; thus, the formal process provides important political protection.

Strict control of the policy agenda through restricting decision making to properly

constituted meetings has also helped the Government to set administrative priorities in accordance with its own political priorities. Officials know that they need to focus on the issues which will be considered at the next relevant Government session, and that other administrative tasks have lower priority.

In order for this process to work, ministers agreed that Government Committees and the full Cabinet of Ministers had to meet in formal session at least once a week, and that these sessions needed to be closed to the public. Relevant officials from various ministries and the Cabinet Secretariat could be invited to answer specific questions, but this was at the discretion of the chairs of committees, or of the prime minister for the full Cabinet. For the most part, the discussion proceeded on the basis of the written material submitted to the session.

Prior to this change, Cabinet had met sporadically, and Cabinet meetings were public affairs, more akin to Parliamentary sessions. The change had a revolutionary effect, with ministers now able-and, in fact, obliged-to discuss issues openly, and to explain and justify each decision in ways that were previously not expected. In this environment, it has become very difficult to sneak in a resolution that is clearly without public benefit.

Since time is limited, ministers are forced to prioritise. The overall number of resolutions has declined, and as each resolution becomes more "valuable", ministers have tended to abandon specific issues and now

Next week

Discussing the strategy of technical assistance granted by the UK government. The International Centre for Policy Studies jointly with the British Department for International Development will host a roundtable on "Discussing the Strategy of Technical Assistance Granted by the Government of Great Britain to Ukraine" on Wednesday, 18 July. Representatives of non-government organisations have been invited to participate in the roundtable, whose goal is to present the strategy of UK technical assistance to Ukraine. Participants will also discuss possible avenues and effects of the implementation of the programme to fight against poverty in Ukraine.

If you wish to obtain information on the roundtable, please contact Olga Kolovitskova: (380-44) 463-5974, e-mail: ok@icps.kiev.ua

New role of civil servants

Another major change introduced at the beginning of 2000 relates to changes in the role of civil servants in the functioning of the Cabinet of Ministers.

The apparatus was re-constituted into the Government Secretariat—an agency responsible for co-ordinating the preparation of documentation for Government Committee and Cabinet of Ministers meetings. This no longer entails control over the agenda of the meeting—secretariat officials are simply required to respond to the agenda as set by the ministers. In addition, Secretariat staff members are no longer entitled to reject papers or draft resolutions they do not support. These are tabled by ministers and are prepared by the respective ministries. Rather, the Secretariat has the ability to put in alternative points of view and to provide commentary on the issues.

Recommendations

The reforms implemented since early 2000, as described above, have begun to produce positive and much needed democratic changes at some levels of government in Ukraine. By following rational steps and developing public policy procedures, concrete results have been achieved. Despite these successes, however, much more remains to be done:

• **Adopting European and international principles of external and internal control will facilitate transparency and efficiency.**

The connections between the central, regional, and municipal levels of government are still shaped by old structures; there is substantial opportunity for corruption to occur in the spaces created by this confusion. Also, little attention is paid to effective implementation of government decisions, across the levels. Therefore, it is very difficult to monitor their progress. Systems of accountability and mechanisms to enforce procedures are lacking; this creates inefficiency and ineffectiveness.

• **Introduce a formal review process for every significant decision.** This would require ministry co-ordination that follows up on decisions and their implementation. Data collection would be necessary, as well as analysis of results. Ministries would report to the government with their analysis of data.

• **Duties of public servants need to be spelled out clearly.** Responsibility to serve

Definition of public policy

Public policy helps to make government decisions that achieve stated objectives in an efficient and effective manner.

Components of the public policy process:

- *problem definition;*
- *proposal of alternative solutions;*
- *selection of optimum solution;*
- *putting the solution into effect;*
- *monitoring results.*

Principles of a professional decision-making process:

- *define outcomes clearly and take a long-term view, considering the likely effect and impact of the policy in the next five to ten years and beyond;*
- *take full account of the national, European, and international situation;*
- *take a holistic view, looking beyond institutional boundaries to the government's strategic objectives;*
- *be flexible and innovative, questioning established ways and encouraging new and creative ideas;*
- *use the best available evidence from a variety of sources;*
- *constantly review existing policy to ensure it is really dealing with problems it was designed to solve, without having unintended detrimental effects elsewhere;*
- *be fair to all people directly/indirectly affected;*
- *involve all key stakeholders at an early stage and throughout its development;*
- *learn from experience what works and what does not, through systematic evaluation.*

the government as a whole, and not just their portfolio, is a focus that requires sharpening in order to ameliorate potential conflicts. New terms of reference are needed that match the newly implemented government structures, in order to bring clarity to a complicated situation. Further, training that is skills-based, to provide the capacity to perform new functions such as policy analysis, is urgently required. In fact, these developments have been imposed on EU candidate countries in order to better the transparency of administrative work and to narrow down the possibilities for corrupt behaviour within state institutions.

• **Stabilising and professionalising the civil service.** The pattern of short-term political appointments increases the instability of the government machine. Therefore, it is of critical importance that the capacity of the civil service is increased by new training and skill development. By providing these employees with the ability to follow proper policy procedures and generate high-level analysis, the support of civil servants to the political arm of the government will increase.

• **Introduce a requirement for open and public consultation on draft decisions and**

initiate in-depth, nationwide surveys that gather experiential and measurable information about the government's institutions. Citizens will trust public institutions if they feel that government offices are used for the public good. Further, the government must especially ensure that those who will be affected by its decisions have an opportunity to consider the effects and comment on them. This procedure will increase the productiveness of the decisions, too, after implementation. It will also reduce the number of cases before the Cabinet of Ministers that require repeal.

• **Encourage donors to target their assistance at initiatives which provide civil servants and civil society with the practical tools of public policy analysis.** Further, facilitate public consultations that will allow effective participation in the redesign of their own institutions, restructuring the decision-making process, and the creation of an environment of reduced corruption. ■

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