

ICPS newsletter

Democracy is not a mystery but a skill that can be taught and learned

The Ninth Meeting of the OSCE Economic Forum on “Transparency and Good Governance in Economic Matters” was held in Prague on 15–18 May 2001. More than 300 representatives of governments, international financial organisations, think tanks, and the public from 55 OSCE countries discussed the role of good governance and transparency in ensuring security and stability in the OSCE region.

Dr. Vira Nanivska, Director of the International Centre for Policy Studies, gave a presentation titled “A View from Within” at the Forum’s working group on “The Importance of Public-Private Dialogue/Partnership in Building Sound Institutions”. We offer below a resume of her presentation

Central to totalitarianism is corruption; affecting the whole governance system, corruption plays a very important role. Corruption is always an indispensable, socially accepted and strictly regulated function of totalitarian systems that is non-accountable and non-transparent, secured with impunity, and provides *no room for public/private dialogue*.

Alternatively, democracy is nothing more than the constant efforts made by citizens towards constraining authorities’ right to interfere in their lives. Throughout centuries, democracy has developed as a means of public restraint that imposes boundaries on government discretion and power.

The constraints are implemented by sophisticated political, governmental and societal institutions—from constitutions and legislation to Green and White policy papers, public service delivery surveys, public budget hearings, and the Ethic Codes of public servants. All these components are targeted to ensure public control over state power.

The new phenomenon of guided democracy

Ukraine is now undergoing a manufactured, donor-guided transformation from totalitarianism to democracy, as opposed to the evolutionary democratisation process developed in the West.

Democracy in Ukraine depends upon *the quality of management* of this artificially accelerated societal change. In evaluating

management quality, the following questions should be answered:

- Do the design and guidance of the reforms ensure quality change management?
- Do the reforms produce thriving democratic institutions?
- Is society developing institutional capacity? Are key actors in democracy, such as the government, private business, and civil society, gaining new skills?
- Is there access to new informational and technical resources?

Donor responsibility

Conceptual guidance of and financial support for our transformation has been undertaken by the international donor community. This calls for intellectual responsibility on the donors’ side, including taking into consideration all factors in the transformation process in Ukraine:

- Assessing the level of technical readiness to digest and implement the advised measures is only one obvious factor.
- Donors must also connect the declared goals of technical assistance to practical outputs in the context of the country’s expected performance.

Wrong assumptions negatively affect transformation

The transformation strategy currently at work in Ukraine made certain assumptions about what key focuses, actors, and processes were required. These assumptions were applied in three sectors: government, business, and civil society. The

effects of this strategy have produced concrete, observable results—not all of them positive.

Concerning government reforms: The donor community assumed that once the pressure of totalitarianism was removed, the government would accept good advice and make good decisions for liberalisation, privatisation, and financial stabilisation. Donors believed that the government would automatically take on the new role of public policymaker, stop interfering in businesses, begin providing quality public services, and manage the public finances in an effective, transparent way.

However, the result was opposite. The Soviet-style government machinery, exclusively serving just one interest—the interest of power—was left intact. Therefore, Ukrainian power structures still do not have the capacity or skills to deal with the new, legitimate forces in society that are struggling to find their public voice through democratic tools.

Untrained in the process of public policy, which provides legitimate ways and means to balance the conflicting voices that are a necessary part of democracy, the government is incapable of effectively formulating and implementing policy. Practically all government decisions are therefore micromanaged (“manual” management). *The major risk is that during this time a new professional and democratic government bureaucracy is not being created.*

Concerning business reforms: The donor community, led by the ideas of Western intellectual socialism and liberalism, assumed that private ownership should be introduced by socialist methods of “fair redistribution”. Evidently, donors assumed that de-facto owners would gladly give up their property and humbly disappear, not interfering with the privatisation process created by donors; and that newly redistributed Soviet enterprises, when led

by the invisible hand of the market, would behave in ways consistent with western protocols and immediately know the "rules of the game".

The result did not justify the hopes. Already existing leaseholders and cooperatives, deemed illegitimate by this socialist privatisation concept, were destroyed. The population's trust in democratic reforms was seriously injured by this double standard—"towards capitalism through socialist fair redistribution". Thus, denied access to legitimate business, the people who could adapt ended up strengthening Ukraine's shadow economy. In addition, *neither legitimate competition systems nor investment infrastructures were ever helped to be developed in Ukraine. In spite of all remonstrances, technical assistance programs in practice have failed to initiate the creation*

Next week

Policymaking process at the local level.

Two workshops on "Communications in policymaking" and "Drafting policy papers" will be held in the Western Ukrainian town of Yaremche on 25–26 May. These meetings are organised as part of the project "Developing a Policy of Increasing the Effectiveness of Local Services". Among the participants of the workshops will be 60 public officials from the cities of Ternopil and Ivano-Frankivsk. Expert presentations will be made by Paul Brown, professor of the School of Public Administration, Dalhousie University (Canada), and Larissa Lozowchuk from the Canadian government. The following working groups will be organised: "Educational Policy", "Strategic Planning", "Fiscal Policy", "Staff Policy", "Housing and Utilities", and "Urban Planning and Architecture".

The project was initiated by the International Centre for Policy Studies and local government bodies in Ivano-Frankivsk and Ternopil. It is sponsored by the Canadian International Development Agency and the World Bank. The workshops were organised by the People's Voice Project.

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of systemic fundamentals that would ensure a favourable environment for private business development.

Concerning civil society reforms: The donor community assumed that once the pressure of totalitarianism was removed, it would be only a matter of personal will to commence public participation in policy processes, citizen's rights movements, public monitoring of government, and its management of the public finances.

As a result, our citizens' democratic skills are developing haphazardly, without systemic assistance. While it needs much more, Ukraine has only ad hoc, one-off projects in this area, similar to those supporting civil society in developed democracies, *where the system is already in place.*

Ukraine's lame democracy

In Ukraine, reform "design" assured the introduction of only one part of the democracy cycle, namely, the political institutions ensuring the transfer of power—a constitution, elections, and political parties. The other vital part of democracy, *which ensures public control over the elected authority between elections*, has not been established. Technical assistance programs have failed to build the democratic institutions that would ensure daily public/private interaction.

The government of Ukraine has failed to develop:

- basic skills of policy analysis that would legitimately account for differing societal interests;
- skills of policy consultations and public policy dialogue;

The citizens of Ukraine have not developed:

- "know-how" for monitoring the government;
- institutions to provide feedback through civic participation.

Missing the obvious

Unfortunately, the public policy process—a cornerstone of democracy—is not a focus of technical assistance programs in countries of the former Soviet Union. Yet, public policy is ubiquitous in Western democracies:

- university departments with specialisations in public policy;
- governments with policy analysts and policy managers;

- procedures, standards for policy consultations and policy communication;
- guidelines, policy document templates, green books, white books;
- citizen participation procedures and institutions (systematic feedback, e.g., surveys on the quality of public services, open budget hearings, the Charter of Citizens).

The Western public policy process is taken for granted because it has thoroughly penetrated social life; it therefore seems to have been overlooked as a necessary and transferable body of knowledge and skills.

An example of successful transformation

What has been lacking in Ukrainian technical assistance was, in fact, provided to Central European countries entering the EU. Candidate countries were required to adopt EU institutional standards and develop necessary infrastructures. The EU imposed technical expectations on candidate governments, businesses, and communities, providing a binding framework for the transformation process. Today, everybody understands that the effectiveness of technical assistance is directly tied to accession performance; that is why both the EU authorities and the candidate countries have a by serious political attitude to technical assistance programs.

Conclusions

- Democratic institutions do not spring fully formed, like Athena, from out of post-totalitarian environments.
- Democracy is a skill built into institutions—with specific structures, procedures and standards in both government and non-government spheres, facilitating the accountability and transparency of elected authority through sustained government/citizen dialogue.
- Public policy processes have yet to be set up in Ukraine, but unfortunately, the development of democratic institutions has not become the target of technical assistance programs in this country.
- Central European countries have been successful at mastering the craft of democracy. Their experience could be repeated by donors in our country and Ukraine, then the work of democratic transformation can move forward. ■

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