



المؤتمر الثالث للإصلاح العربي
"التحديات والمشاكل التي تواجه منظمات المجتمع المدني"
١-٣ مارس ٢٠٠٦

Third Arab Reform Conference
“Challenges and Concerns Facing the Civil Society”
1-3 March 2006

الشفافية

TRANSPARENCY

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المؤتمر الثالث للإصلاح العربي التحديات والمشاكل التي تواجه المجتمع المدني

يسر منتدى الإصلاح العربي أن يقدم للمشاركين في مؤتمره الثالث، والذي يركز على التحديات والمشاكل التي تواجه المجتمع المدني في مجتمعاتنا العربية وذلك من خلال عدد من المحاور الرئيسية التي تتناول موضوعات تتعلق بتمكين المرأة، والمشروعات الصغيرة ومتناهية الصغر، وعمالة الشباب، والشفافية، وحقوق الإنسان، وقضايا البيئة.

وقد قام عدد من الخبراء المصريين والعرب والأجانب بإعداد بعض الأوراق التي تعبر عن رؤيتهم، في كل المحاور السابقة للمساهمة في فتح الحوار حول القضية الرئيسية التي يستهدفها المؤتمر الثالث للإصلاح العربي عن كيف يمكن للمجتمع المدني أن يواجه التحديات التي تحول دون زيادة مساهمته وفاعليته في عملية الإصلاح بمفهومها الشامل. وسوف يقوم منتدى الإصلاح العربي بتنمية وتنظيم الأفكار التي وردت في كل هذه الأوراق، بالإضافة إلى المناقشات التي ستدور في المؤتمر لإعداد مسودة التقرير النهائي للمؤتمر لعرضها على ورشة عمل تضم بعض الخبراء المشتركين في المؤتمر وغيرهم من المتخصصين في موضوعات المؤتمر للوصول إلى تقرير نهائي يمكن طباعته في صورة كتاب سوف يتاح بعد طباعته لجميع المشاركين في المؤتمر.

منتدى الإصلاح العربي

الشفافية

◀ الطريق نحو الحكم الرشيد: النزاهة والشفافية والمساءلة

الأستاذ الدكتور/ حسام بدر اوي

◀ **Accountability, Transparency and Governance Reform in Arab Countries**

الأستاذ الدكتور/ أحمد صقر عاشور

الطريق نحو الحكم الرشيد التزاهة والشفافية والمساءلة

أ. د. حسام بدرأوي

أستاذ بكلية الطب - جامعة القاهرة

وعضو المجلس القومي لحقوق الإنسان

تزايدت مطالبات الشعوب بمزيد من الشفافية والمساءلة في عمليات القطاع الحكومي. إذ تفرز العولمة مزيداً من الروابط بين الدول، وانتشاراً أسرع للمعلومات عبر الحدود التي تفصل بينها، ودعوة لدور شعبي أكبر في الحكم. وكما هو الحال في مناطق أخرى من العالم، فإننا يجب أن ندرك في المنطقة العربية الحاجة الملحة لتوجيه الإصلاحات في القطاعات الحكومية لدينا بشكل أفضل. كما يجب أن ندرك الفرص والتحديات الخارجية والداخلية الكبيرة التي ولدتها العولمة. فهناك حاجة متزايدة للاستجابة إلى المستثمرين الأجانب الذين يتوقعون الوثوق في دقة المعلومات ليس حول أداء عمليات القطاع الخاص فحسب بل ومؤسسات القطاع الحكومي الرئيسية أيضاً. ومن المهم أيضاً الحفاظ على الثقة الشعبية المحلية في المؤسسات الحكومية، فذلك أمر ضروري لتحقيق الحكم الصالح والتنمية البشرية المستدامة.

يتجه فكر الإصلاح في كافة الدول العربية لتقييم نتائج الجهود التي بذلت في العشر سنوات الماضية لتحسين أداء المؤسسات الحكومية والعامة خاصة في مجال تقديم الخدمات العامة بطرق تتسم بالتراهة والشفافية، إذ يجب أن تقدر الحكومات قدر تحديات العمل في بيئة عالمية كما تدرك أهمية رفع مستوى الأداء وتحسين جودة الخدمات لتحقيق التنمية المستدامة والتمسك بأهداف التنمية في الألفية الجديدة. وقد أصبحت مبادئ التزاهة والشفافية والمساءلة في المؤسسات العامة موضع الاهتمام والتركيز في برامج الإصلاح والتحديث الإداري في مختلف الإدارات بما في ذلك القطاعات التشريعية والقضائية والتنفيذية. ويجب أن تبذل الدول جهوداً جادة ومتعددة لغرس وتعميق وتطبيق هذه المبادئ في بيئة العمل العام.

وهناك اتفاق عام على أن الإدارة الديمقراطية لا بد وأن تركز على أسس تفويض السلطات والمشاركة وإعطاء متخذي القرار القدر اللازم من الصلاحيات والحرية للعمل الفعال في ظل القوانين السارية وحسب مبادئ التزاهة والشفافية والمساءلة. فلا بد أن تتحلى كل الأعمال والسلوك بالتراهة وتحدي كل الإغراءات التي تواجه أصحاب الدخول المحدودة على الأخص والتي قد تبرر لهم استخدام وسائل غير مشروعة لتحقيق منافع شخصية. ولقد تفادى الكثير من المستثمرين الدخول في مشروعات إنمائية في بعض الدول العربية بسبب غموض أنظمتها وعدم الشفافية في اتخاذ القرارات وبطء التقاضي وضعف نظم المحاسبة وقلة المساءلة عما يتم من تصرفات.

إننا ندرك ضرورة إعادة النظر في طرق تشجيع الاستثمار والمحافظة عليه، سواء كان المستثمر أجنبياً أو محلياً. كما ندرك أن الأساليب والإجراءات الإدارية لا بد أن تكون على درجة عالية من الشفافية وأن يصبح كل مسؤول في هذا المجال موضع محاسبة ومساءلة من السلطات ذات الصلة. لذلك يجب أن تقوم الدول بمراجعة نظمها القانونية وتنشيط الهيئات التشريعية لإيجاد الوسائل القانونية التي تساعد على غرس وتفعيل مبادئ النزاهة والمساءلة في المؤسسات العامة. ولقد أنشأت بعض الدول العربية أجهزة متخصصة وخولت لها من السلطات ما يمكنها من القيام بأعمال تحول دون تفشي الفساد وتحارب الأعمال غير المشروعة وتضبط الفساد الإداري وتوقف ممارسته. وتعمل هذه الأجهزة أيضاً على رفع مستوى النزاهة في الوظيفة الحكومية على كل المستويات.

كذلك فإننا يجب أن ندرك ضرورة اتباع الأساليب العصرية والحديثة في نظم إدارة الدولة بحيث تتفاعل السلطات السياسية والاقتصادية والإدارية وتعمل في منظومة متكاملة يعتمد كل عنصر منها على فعالية أداء العناصر الأخرى - على جميع المستويات - بحيث يسمح للقطاع الخاص والمنظمات المجتمعية وجموع الجماهير أن يعبر كل منهم عن ذاته ويجلوا مشاكلهم، مع اختلاف آرائهم وتعدد مصالحهم، وأن يتعاونوا معاً متكاتفين سعياً إلى تحقيق الأهداف للتنمية المتوازنة والمستدامة.

وتختلف مستويات التقدم نحو تطبيق الأساليب العصرية في الإدارة العامة، وهناك محاولات جادة ومثمرة في بعض الدول لاستقلال القضاء، كما قامت بعض الدول بإدخال نظام اللجان المشرفة على الأداء الحكومي في مؤسساتها التشريعية، وهناك دول أخرى تقوم بمراجعة نظم إدارة الموارد البشرية في الإدارة الحكومية والأخذ بنظام اللامركزية وتحديث نظم الإدارة المالية والمراجعة وتقييم الأداء العام.

إلا أن هذه الجهود تحتاج إلى المزيد منها. فلا بد أن يحل التشاور بين المسؤولين لاتخاذ القرار المشترك محل الوسائل الإنفرادية في ظل النظم المركزية. ولا شك أن نموذج "الحكم" التقليدي بسلطة منفردة لا تتسم بالشفافية وتظل فوق المساءلة، لم يعد مناسباً للإدارة العصرية والتي تركز على إدارة المجتمع ككل لخدمة التنمية. ففي ظل الإدارة العصرية هناك عناصر في المجتمع تعمل وتجد خارج إطار المؤسسات العامة، خدمة لتحقيق التنمية. وهذه العناصر لا بد من إشراكها في صنع القرار المتصل بشؤون التنمية في كل القطاعات. وكذلك فإنه من الضروري تيسير حصول الجمهور على الخدمات العامة وأن تكون هذه الخدمات على مستوى عال من الجودة. ومما لا شك فيه أن صياغة السياسات الناجحة وفعالية تطبيقها تتطلبان إشتراك كل الأطراف المعنية مع إحترام مبادئ النزاهة والشفافية والمساءلة.

ومن الملاحظ أن القدرة المؤسسية اللازمة لاستمرار وإنجاح هذه الجهود لا تزال قاصرة في المنطقة العربية بشكل عام. وقد تزداد بفضل تعاون الدول العربية فيما بينها وكذلك تعاونها مع منظمات الأمم المتحدة ذات الصلة وكذلك بفضل التعاون مع شركاء الدول العربية في عمليات التنمية. وقد دلت الخبرة على أن تبادل المعلومات والتجارب

واستمرار التعلم من خبرات الغير والمؤازرة المتبادلة بين الدول العربية من شأنه أن يقوي هذه القدرة ويعين على تطوير النظم القانونية والإدارية. وتشارك الدول العربية في كثير من السمات الثقافية والسياسية والقانونية والإدارية، مما ييسر تعاونها معاً لإيجاد الحلول المناسبة للمشاكل المتشابهة، لذلك فإن إيجاد شبكات للتعاون وتضافر الجهود المشتركة لتحسين الأداء ورفع مستوى التمسك بمبادئ النزاهة والشفافية والمساءلة في المؤسسات العامة لابد وأن يأتي بشمارة المنشودة.

ولابد من تقوية القدرة المؤسسية أيضاً في المؤسسات التشريعية والقضائية وفي منظمات المجتمع المدني، فهناك أعراف قديمة ذات جذور عميقة وهناك تقاليد درأت عليها هذه المؤسسات وقد حان الوقت لإعادة النظر في حدود الاستمرار بالتمسك بهذه الأعراف والتقاليد ابتغاء تطويرها وتحديثها بما يناسب التحديات المعاصرة والمستقبلية. كذلك أصبح من الضروري تقوية القدرة على صياغة السياسات ومتابعة تنفيذها وتقييم نتائجها كما تجدر الإشارة إلى تقوية القدرات لتقييم الأداء على مستوى المؤسسات العامة ومساءلة القيادات الإدارية عما اتخذته من قرارات وما قامت به من أعمال. وتحتاج المؤسسات التشريعية إلى تفويض دستوري واضح لكي تقوم بدورها لضمان مراعاة المصلحة العامة في ظل مبادئ النزاهة والشفافية. كما تحتاج منظمات المجتمع المدني الى التعلم المستمر من خبرات مثيلاتها في العالم في متابعة وتقييم وتقويم الأداء العام متعاونة في ذلك مع وسائل الإعلام التي تحتاج هي أيضاً إلى السعي الدؤوب لزيادة قدرتها لتؤدي دورها في المجتمع كوسيلة لضبط السلوك والأداء.

كذلك لابد من بناء القدرات المؤسسية لصياغة وتطبيق معايير أعلى للنزاهة والشفافية والمساءلة. وكذلك استخدام تكنولوجيا المعلومات لمتابعة وقياس آثار تطبيق هذه العاير. ويرتبط بذلك تحديث طرق المحاسبة المالية لإتاحة المزيد من الشفافية والمساءلة وسرعة اتخاذ الإجراءات التصويبية اللازمة. ومن الضروري أيضاً أن يعاد النظر في القوانين واللوائح التي تعيق عمل المنظمات غير الحكومية بغير تحريرها لكي تقوم بين الحكومة وهذه المنظمات شراكة فعالة وتبذل جهود مشتركة لزيادة مستوى التمسك بمبادئ النزاهة والشفافية والمساءلة في المؤسسات العامة. والحاجة كبيرة أيضاً لاستيعاب وتطبيق أحكام المواثيق والمعاهدات والاتفاقيات الدولية والإقليمية المتعلقة بمبادئ النزاهة والشفافية.

يتضح مما سبق أن بناء القدرات المؤسسية شامل ومتعدد الأبعاد وضروري كذلك لكي نعيد صياغة عمل المؤسسات العامة وتحديث ادارتها حتى تعمل بكفاءة وفعالية في بيئة عالمية متجددة ودائمة التطوير وكثيرة التحديات.

مراجع:

- مسودة الدليل التشريعي لتعزيز تنفيذ إتفاقية الأمم المتحدة لمكافحة الفساد.
- الندوة الإقليمية للإدارة المعاصرة في الدول العربية نحو تعميق أسس النزاهة والشفافية والمساءلة في المؤسسات العامة.

Accountability, Transparency and Governance Reform in Arab Countries

Ahmed Sakr Ashour

Professor of Management

Alexandria University

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Introduction

Over the past fifteen years, Arab countries have taken various measures to reform their economic and developmental policies and to integrate with the world economy. This has taken place in reaction to sweeping changes brought about by economic globalization on the one hand and the developmental miracles achieved by an increasing number of what were considered developing economies on the other hand. Various exogenous factors have accelerated the pressure for reform; the demands made by international organizations (World Bank and International Monetary Fund), the establishment of the World Trade Organization (WTO), the partnership agreements made with the European Union, and the demonstration effect of the East Asian Economies. In few Arab countries, indigenous factors and self-initiatives were forces for reform.

The economic reforms applied in the Arab region were of limited impact on economic and development performance. The limited effectiveness of policy reform is indicative of the loose and ambiguous relation between policy reforms and economic performance. A great deal of this ambiguity can be explained by the impact of exogenous factors, namely fluctuation of world prices of oil, but more importantly by the governance and institutional factors. Easterly and Levine (2002) argue that "Bad policies are only symptoms of longer run institutional factors and correcting policies without correcting institutions will bring little long run benefit". (P. 33). Similarly, Acemoglu (2003) emphasizes the importance of institutions as a *fundamental* cause of divergent economic wealth, whereas policy-related factors such as investments and education are considered only *proximate* causes. This implies the primacy of institutions over economic policies with regard to causes of economic performance.

Public governance, relevant to economic development, consists of the institutional factors pertaining to the distribution and exercise of economic power and the rules governing economic relations in the society. Good public governance implies a balanced distribution of power within government institutions (decentralization, deconcentration, and internal accountability) and external to these institutions including transparency and answerability of the government to the society. It also implies clear and efficient rules that balance economic interests, provide for equity, protect property rights and facilitate economic transactions. Rules are made and implemented by public institutions. The degree to which these institutions are designed and operated to serve the development and prosperity of the society and balance the interests of various groups/actors determines the likelihood of achieving and maintaining development.

Recent literature on developing countries (e.g. Nunnenkamp, 2003) and the Arab region (World Bank, 2003) has clearly shown the crucial importance of public governance factors for the acceleration of economic development (economically catching up to advanced industrial countries), and for the sustainability of development and growth. It has particularly explained the growth and development stagnation in the Arab region in terms of public governance and the related institutional deficiency/gap.

In a recent report issued by the World Bank on "Better Governance for Development in the Middle East and North Africa" (2003), the MENA region was found to have an overall governance gap. The region "largely tracks its counterparts worldwide on the quality of administration in the public sector, typically running only slightly lower. They have individually and on average lower levels of quality of administration in the public sector than would be expected for their incomes. This gap tends "to be worse for countries that have higher incomes, that rely on oil resources" (World Bank, 2003, P. 6).

On public accountability (accountability to society and to citizens) the MENA region falls far short. Individually and collectively, the region lags on measures of public accountability, and surprisingly, the richer the country, the worse the gap. Depending on having a good business environment than oil or gas resources (Egypt, Jordan, Morocco, and Tunisia) produces a stark difference in public accountability between those countries and the oil rich countries of the region. The high incomes of the latter depend less on a good government for private investment and business activities (World Bank, 2003, P. 7).

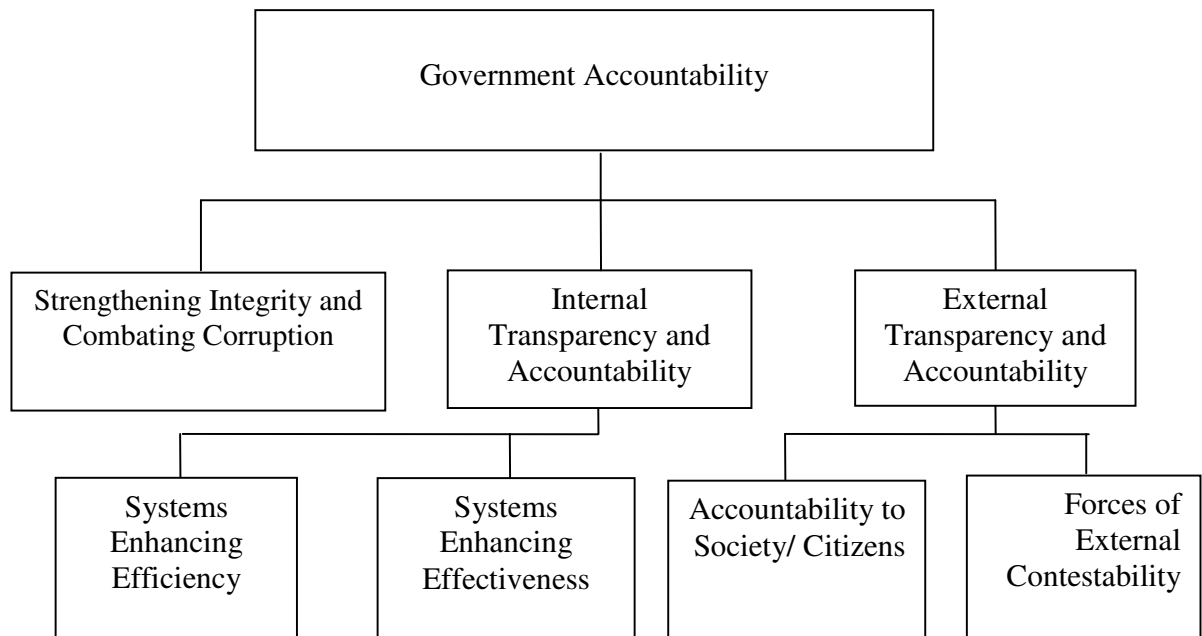
A recent study of the competitiveness of the Arab region (Arab Planning Institute, 2003) emphasized the need to focus on building a solid base of institutional infrastructure (including public governance) rather than merely using tax incentives (tax exemptions/tax holidays) as a means to attract international capital and FDI to the region.

Good public governance for the Arab region requires a major transformation in the role of the state vis-à-vis other development actors and stakeholders. Historically, and until now in some cases, the overall model of governance in the Arab region has been one of state-led, state-centered, and state-regulated development. The rental state which emerged out of natural sources of wealth controlled by the state, together with a political structure which took the form of traditional monarchies or regimes dominated by one party gave rise to public governance that minimizes the role and participation of its civil society, magnifies the role of the state in the area of social welfare/distribution of rent, and creates and sometimes nurtures a monopolistic and rent seeking private sector which remains dependent on the state. Within this context, the lack of adjustment or adaptation in the political or economic models of governance provided no strong impetus/force for reforming and improving public sector institutions, for transforming into a competitive private sector-led economies or for enhancing the role of civil society in development. As a result, the inflated and inefficient public sector institutions functioned within weak public accountability. The public bureaucracy as the main instrument for development policy implementation became a major source of distortion, waste, and corruption; thus hindering rather than facilitating and accelerating growth and development.

The objective of this paper is twofold: (1) to examine need areas of institutional reform in Arab countries that enhance government transparency and accountability and reduce corruption in the public sector; and (2) to identify the governance reform areas in a way to enhance economic development and growth through an integrated approach to accountability-enhanced administrative reform.

Enhancing Government Transparency and Accountability

Accountability in a governance framework means that those with authority to act in the name of people are answerable to the people for their failures as well as credited for their success (World Bank, 2003, P. 38). Government accountability could be instituted through internal systems (internal accountability) to govern the behavior of different agencies in the aim of protecting the public interest. It could also be instituted through direct means (external accountability) by making the government and its agencies answerable for their actions, performance and results to people and/or exposed to contesting forces external to the government. Government accountability requires both a good system of administration including internal control to insure effectiveness and efficiency in serving the public interest as well as a set of institutions by which the government is made answerable directly to the people and is exposed to forces that energize its performance. It also requires solidifying the system of integrity and combating corruption in the public sector. The following figure illustrates the components and factors of government accountability:



Enhancing internal and external government accountability in the Arab region is elaborated in the following analysis.

Strengthening Integrity and Combating Corruption

Although government integrity/corruption is partly a product of the accountability system within which the government operates, its treatment within the context of governance reform warrants special focus. Like most developing countries, governments in the Arab countries are vulnerable to various forms of corruption. Due to corruption, government led development programs in the Arab countries in the last four decades have been mishandled, and have distorted development greatly and wasted a significant portion of its resources. The current system of public governance in the region has contributed greatly to the waste and corruption associated with the public sector. Grand corruption exists in most Arab countries, as the state directs and controls major public projects and transactions with little public accountability over its actions. Petty corruption exists also in most Arab countries, but its common form, bribery, is widespread in government organizations of middle income and poor Arab countries. The impact of corruption on the investment climate varies greatly among countries, depending on the degree to which corruption has penetrated government organizations dealing with the private sector. Where real wages of public employees have deteriorated greatly, these organizations and their employees became more vulnerable to briberies and other forms of corrupt practices.

The following table is extracted from the Corruption Perception Index – 2003 prepared and published by Transparency International.

Corruption Perception Index 2005 for Arab Countries

| Country Rank | Country ⁽¹⁾ | CPI 2005 Score ⁽²⁾ |
|--|------------------------|-------------------------------|
| 28* (along with one other country) | Oman | 6.3 |
| 30 | United Arab Emirates | 6.2 |
| 32* (along with 3 other countries) | Qatar | 5.9 |
| 36 | Bahrain | 5.8 |
| 37 | Jordan | 5.7 |

| | | |
|--|--------------|-----|
| 43 | Tunisia | 4.9 |
| 45 | Kuwait | 4.7 |
| 70* (along with 6 other countries) | Egypt | 3.4 |
| 70* (along with 6 other countries) | Saudi Arabia | 3.4 |
| 70* (along with 6 other countries) | Syria | 3.4 |
| 78* (along with 4 other countries) | Morocco | 3.2 |
| 83* (along with one other country) | Lebanon | 3.1 |
| 97* (along with 5 other countries) | Algeria | 2.8 |
| 103* (along with 3 other countries) | Yemen | 2.7 |
| 107* (along with 9 other countries) | Palestine | 2.6 |
| 117* (along with 8 other countries) | Libya | 2.5 |
| 137* (along with 6 other countries) | Iraq | 2.2 |
| 144* (along with 6 other countries) | Sudan | 2.1 |
| Top Five Countries | | |
| 1 | Iceland | 9.7 |

| | | |
|---|-------------|-----|
| 2 | Finland | 9.6 |
| | New Zealand | 9.6 |
| 3 | Denmark | 9.5 |
| 4 | Singapore | 9.4 |

(1) Total number of countries included in the index for 2005 is 158 countries.

(2) Out of ten.

(*) Repeated Rank.

As the table indicates, most Arab countries included in the index fall below the world median which is rank 80. All Gulf Arab countries have ranks above the world median. However, there is a vast difference between the index scores of most Arab countries and those of the best five countries in the world.

Strengthening integrity and combating corruption in the Arab countries requires reforms in three main areas:

1. **Reforming the accountability system (internal and external) within which the government organizations operate, including reforming the administrative systems.**
2. **Enhancing public and political accountability of the government.** International reports have indicated that there is a serious gap in public accountability between the Arab region and other regions in the world (e.g. World Bank, 2003).
3. **Adopting a program of strengthening integrity and combating corruption in government organizations.** Part of such a program is to establish an independent anti-corruption agency and empower it with the means to launch and implement the program. At present, no such independent anti-corruption agency exists in countries of the region. Countries of the Arab region could learn from international experiences regarding the structure, roles, and prerequisites for the effectiveness of such an entity. The program needs to be supported by the apex of the government and the state. This program may include:
 - Enhancing the transparency of the government activities, particularly those activities vulnerable to corruption.
 - Strengthening the sanctions associated with corrupt / unethical practices.

- Providing political support and commitment of the top political leadership to enhancing the integrity of various branches of the state and fighting corruption in their organs.
- Enhancing the role of the civil society organizations in the campaign against corruption.
- Building the institutional capabilities of the state's various domains and systems to reduce the likelihood of corruption and increase the probability of ethical, proper, and efficient conduct. This requires a major audit of the current institutional framework governing practices and decisions in the public sector and a comprehensive attempt to reform the related systems and institutions.
- Building and strengthening the integrity tenants of the civil service and HRM system in the government should be an important component of the reform agenda. Improving the professionalism of the civil service is an important reform dimension in this regard.
- Building awareness among the public of the need to combat, fight, and prevent corruption and encourage integrity and ethical practices in all areas of the society's life.
- Treat the deeply rooted causes of corruption and not merely fighting the symptoms. Streamlining administrative systems, monitoring performance, including ethical dimension in the assessment of public agencies and officials, correcting/reforming the compensation system of public employees, regulating the exercise of public authority, and strengthening the control and accountability system are all elements of reform that address real causes of corruption.

Internal Transparency and Accountability

The administrative and control systems used by Arab countries, constituting government internal accountability are similar in that they rely on traditional rule-based public administration system. With minor differences, they share the following characteristics:

- **High degree of centralization**. Except for the U.A.E., the central government in most Arab countries possesses vast powers over local entities in financial, civil service and administrative matters. The government system is run through highly centralized and unified structure and processes. Local entities and lower administrative levels rely on directives and decisions made at the highest level in the ministries.
- **Centralization also characterizes the control process**. Control is mostly exercised through central agencies. The system of internal audit and control that exists in some countries has also been instituted by central control agencies.
- **Rule-based administrative and control system**. The bureaucratic model of administration with its emphasis on formal rules and procedures characterizes the

administrative system used by all governments in the region with the exception of Dubai. The system of control follows the emphasis on rules and procedures of the administrative system. Both put little emphasis on performance or results. The same emphasis on rules and procedures applies to the civil service system. Although most of these have adopted merit based criteria, they are systems still based on seniority rules. However, the seniority rule is tampered for higher executive posts either by competence or by socio-political considerations.

- **The incentive structure in the government is not tied to performance but mostly to rule adherence.** The internal control system and the compensation and the incentive structure in general do not promote performance improvement. Rather, they promote rule adherence, risk avoidance and rigid practices. In the oil producing Arab countries, the compensation of public employees is generally at par with the going rates in the private sector. But government work is characterized by relaxed accountability for exerting efforts or achieving results. In the rest of the Arab countries, public wages are mostly below the going rates in the private sector, thus causing deficiency in public employee work motivation and integrity.
- **Traditional financial and line-item budgeting system.** The budgeting system currently in use in all Arab countries is the traditional input focused line-item budget. The system focuses on the allocation of budgetary resources based on input requirements and historical precedents. The focus is on yearly allocation. No medium term or long term planning is required for budget allocation. Because the focus is not on resource utilization, factor productivity or performance, public expenditures are not assessed with regard to the results or impacts they produce. The system of resource management applied in governments of the Arab region contains and oftentimes protects the existence of resource wastes. Financial and resource accountability systems are mostly focused on fulfilling rules, procedures and regulations rather than achieving efficiency or economy.
- **Excessive regulation and legalistic orientation.** Most of the public administrative systems in the Arab region have been set following the French administrative law, with its emphasis on formalistic, detailed regulations and centralistic orientation. Over the years the legal codes, by-laws and regulations governing the practices of public organizations in most countries have accumulated to a point reaching or approaching excessiveness. The detailed legalistic regulations governing the actions of public agencies and employees have served to protect against social and political nepotism which is widespread in the region, but had a catastrophic impact on administrative innovation/adaptability of public service quality and customer care. With weak public accountability in the Arab countries, the legal regulatory framework led to a rigid, inadaptive, closed and low performing government bureaucracy. The reform efforts and programs aiming at streamlining the administrative procedure, which almost all administrative reform institutions in the region engage in, could not succeed in improving administrative performance because the basic tenants of the system were left untouched. Usually the system needs to be deregulated and not just streamlined to produce a tangible change in performance.

- **Government information system.** Over the last two decades, the world has witnessed major changes in government information systems. With the widespread use of computers and the internet, the modernization of government information systems over the last decade took major steps into establishing government intranets in many sectors and providing an increasing number of its services electronically through websites. E-government transformation became a sign of public sector modernity and efficiency. It should be noted, however, that the speed and scope of such transformation was much greater and faster under systems that shifted from the traditional rule-based public administration to results-based public management. The results-based public management system by its very nature, allowing innovation, flexibility, focusing on results and emphasizing customer satisfaction facilitates the achievement of the maximum modernization of government information systems and optimal application of electronically provided public services. To reap the fruits of introducing computerized information systems and e-government, major changes are required in the system of administration more than just streamlining or procedure simplification. Deregulation, re-engineering, strategic restructuring and total transformation of administrative systems are the approaches used in realizing the shift. Over the last decade, various governments have adopted projects to computerize information systems in immigration, civil identity, statistics, finance, education, health, and various other services. During the last few years a number of Arab governments (e.g. Tunisia, Jordan, Kuwait, Bahrain, Qatar, Dubai of UAE, Egypt) have adopted e-government projects through which public services could be provided electronically. Administrative environments characterized by flexibility, innovation and customer orientation such as that of Dubai has allowed the modernization of government information systems to become a benchmark for the rest of the region. The lack of readiness in the administrative environments in other countries and the limited use of computers and the internet in the society in Arab countries are slowing down the information and electronic transformation and modernization of the public sector in these countries.

- **Enhancing internal accountability through administrative and governance reform.** To achieve major improvement in internal accountability requires a paradigm shift in administrative and governance reform. Over the last twenty years, changes and improvements in the system of public administration in the Arab countries, have not produced qualitative change in the performance and efficiency of public sector. While government organizations in all Arab countries are now better staffed and have more modern systems of administration than what they had twenty years ago, this has not had much tangible effect on their performance. The changes that need to be introduced are in the tenants of the system of administration and internal governance. The following are the suggested directions of the needed reforms.
 1. **Rightsizing the government.** The inflated size of government employment and budget in all Arab countries should be subjected to a reform plan to reach the right size over a period of three to five years. Much of the problem the public sector is facing in improving its efficiency is due to weak control over the bureaucratic tendency for growth. The government size tends to grow faster than the growth in the size of the economy, eventually causing a burden on achieving

further economic growth. One way to control such growth is to make government organizations accountable for the efficiency, productivity and results produced by the resources they possess, and to benchmark these indicators against comparable international best practices. Another way is to decompose the public sector and its organizations to identify inflated components. Differentiation between units, personnel, resources serving the main functions of the organization and those serving auxiliary or support functions is likely to identify and expose major structural imbalances causing over size. Strategic reforms of government role and restructuring will likely produce major reforms with rightsizing implications. Outsourcing and contracting out of certain functions, commercialization of certain functions/entities, corporatization of others, and privatization of public organizations will all lead to rightsizing reforms in the public sector.

2. **Strategic Management of the Public Sector.** With the increase in environmental volatility facing public sector and the quest for greater accountability of the government as a part of the transformation into results-based management, an increasing number of public sector organizations are engaging in strategic planning, environmental monitoring, strategic performance assessment and strategically-driven capacity development. The strategic management framework has been adopted by government organizations in various parts of the world as part of the contemporary administrative reform movement. The adoption and impact of such framework is greatly facilitated by the application of results-based public management paradigm. Under the traditional rule-based public administration paradigm, the introduction of strategic plans and performance assessment achieved limited success since the basic accountability and the control exercised by controlling agencies was rule based. Over the last fifteen years a number of Arab public sector organizations have attempted to install strategic planning and flexible systems of administration focusing on strategic achievements. Attempts of the sort took place in countries like Kuwait, Emirates, and Jordan. The success of these attempts varied greatly depending on whether the accountability system was rule-based or results-based. Under the system of results-based accountability such as that in Dubai, strategic management systems have been adopted by almost all local directorates and authorities of the Emirate. The overall environment in the Emirates was also supportive of adopting innovative and strategic approaches. As per example of such supportive environment, Dubai has developed an overall strategic vision for development for the year 2030. The government activities of the Emirate were required to develop their own strategic plan/vision within the overall developmental strategy of Dubai. The experimentation with strategic planning in other parts of the Arab region has fared with much less success and sustainability than that of Dubai, due to lack of overall strategic vision/plan of the government, over emphasis on rules in the accountability framework, and lack of overall political support for the strategic innovation/reform. The adoption of strategic management framework by public sector organizations in the Arab countries, if backed by the above factors, could constitute a major shift in the performance and accountability of the public sector. It would link public sector organizations to the overall direction the

country is taking in an increasingly volatile development environment. It would also establish the accountability of these organizations for development-relevant performance and results.

3. **Enhancing Effectiveness of Public Sector.** Effectiveness of the public sector could be enhanced through strengthening the goal orientation of its organizations and the system by which they are managed. The transformation into a results-based public management system could achieve much of this reform. The great leap forward in performance and effectiveness made by public sector organizations in developed countries such as the UK, USA, Canada, New Zealand and the new industrialized countries such as South Korea, Malaysia, and Singapore is due to the focus on effectiveness through goals and results of the public sector in general and public organizations in particular. The great success of the public sector reforms applied by Dubai can also be attributed to its focus on effectiveness. Factors or ingredients of the goal/results orientation or effectiveness driven system could be delineated in the following:

- **Goals and results based management system.** It means directing the planning, the coordination, organization structuring, incentives and control as well as other management functions to focus on the formulation, implementation, achievement and evaluation of planned goals and related results. It implies measuring and assessing goals and directing the various management activities towards enhancing their achievement.
- **Flexible decentralized management structure.** With the focus being directed to goals and results of public sector organizations, a flexible decentralized management structure would be needed. The emphasis on effectiveness requires devolving decision making power downward, allowing greater flexibility and removing unnecessary regulatory and procedural restrictions on initiatives and innovations made by lower levels. There is a growing awareness in administrative reform circles in the Arab region of the need for decentralization of both national and local government systems. And, a number of Arab countries (e.g. UAE, Morocco, Tunisia, Jordan, Yemen) have instituted structures involving authority devolvement to local entities. The success of these attempts varied depending on the degree to which the conditions for local decentralization (e.g. capacity development of local entities, existence of political support, enhancement of the performance accountability of decentralized structure and community empowerment) were met. At the national government level, centralized and inflexible structures remain to characterize the management system in all Arab countries.
- **Performance-based budgeting.** Performance based budgets, by their emphasis on goals/objectives and results constitute an important element of the effectiveness focus of the results-based public management system, and also constitute a key component of this system. In fact, adopting a performance-based budgeting system represents an early prerequisite to the transformation to the

results-based management system. Most of the countries that reformed their public sector management into a results-based system have had performance budgets in use for a number of years. In the Arab region, a few countries are currently applying, on experimental basis, or exploring the potential use of performance-based budgets. Thus, Jordan, the UAE, and Egypt have projects to introduce these new budgeting systems. The rule-based system of administration prevailing in all governments of the region is likely to constrain the possible use and effect of the performance budgeting system.

- Elements of a sound performance budgeting system include:
 - Performance planning/objectives setting.
 - Performance measurement/assessment.
 - Performance costing/activity-based budgeting.
 - Performance-based accounting.
 - Performance information and reporting system.
 - Performance control and accountability.
 - Performance-based incentives.
 - Performance improvement mechanisms.

Effectiveness of the performance budgeting system depends on the integrated application of the above elements in addition to having an administrative environment characterized by a focus on results. Realizing these amounts to a major transformation of the public sector and its internal accountability system.

- **Customer orientation and quality emphasis.** This includes the application of "Citizen Charters", the "One Stop Shop", customer focused system of management, and quality systems. Treating citizens as customers to be cared for and focusing on the quality of public services has been part of the trend of adopting private business practices and orientations by the public sector. This has been an outstanding feature of the new public management paradigm. These trends are slowly penetrating the government reform movement in the Arab region. Although citizen charters have been used by various countries in the world (OECD, Common Wealth Organization), they have not been applied in the Arab region. The "One Stop Shop" system of unifying the multiple entities with which citizens deal with in getting a public service into one window has proven in many countries of the world to be a mechanism that reduces the burden on the service recipients and improves coordination among the various entities intersecting on the service. An increasing number of Arab countries have introduced various modalities of the "One Stop Shop" to public services provided to investors (e.g. Dubai, Jordan, Egypt), and, with a lesser extent, to the general public. A similar increasing trend is taking place in the region in applying citizen surveys. The most successful applications of these various mechanisms and techniques have taken place in Dubai. The administrative culture prevailing in the government in other Arab countries and the prevailing traditional rule-based system of administration are creating various obstacles in the adoption and application of these new reforms.

- **Strategic human resources system.** Under the strategic management framework, it is important to align the reform of the civil service system to serve the strategic vision and goals of the public sector organizations. Strategic human resources planning management (HRM) requires that government human resource planning; employment, compensation, training and development, career planning/development, performance management and human resource integrity policies/practices be strategically integrated with, and supportive of, the overall strategy of the public organizations. Truly serving the public interest, enhancing performance, adapting to the needs of the public served, focusing on the developmental goals and priorities, and seeking/engaging in continuous improvement require major changes in the HRM/civil service system applied in government organizations. The experience of reformist OECD countries (e.g. New Zealand, Canada, USA, and UK) and emerging economies indicates that reform of the HRM in the above directions has to be given high priority in the reform agenda. It further indicates that such a reform may include giving a significant margin of flexibility to government organizations to design and to fit their HRM policies with their strategic plans. Thus, flexibility needs to be introduced in the overall HRM system used by the government to allow adaptation of that system to fit the strategic requirements of particular organizations. At present the HRM/civil service systems in most countries of the Arab region are far from the needed reforms. Most of the civil service reforms introduced during the last two decades have not changed the basic tenants of the system (i.e. being non-strategic, rule based and highly bureaucratic). Realizing the full potential of public employees and aligning the strategic reform of public organizations in the Arab region requires a change in the basic tenants of the HRM/civil service system currently in use.
- **Developing crisis management and policy/decision support capabilities.** The increasing volatility of the environment of the public sector and the focus on the strategic direction of its organizations requires building the capability of the central apex of the government (the cabinet) and of its key organizations (ministries and public authorities) in two areas; namely crisis management and policy/decision support. The two represent the most needed competences for the improvement of policy management. The first constitutes a threat or uncertainty factor impacting on the effectiveness of public policies and programs. Handling and managing this risk to contain/control its consequences and ramifications, to correct for the negative impacts it may generate and to learn from risk experience is a reform area of growing interest. Establishing early warning systems in the government apex, building the capacity to handle sudden changes/crises/shocks impacting on policies and programs, developing repertoire of means and abilities to contain/control negative impacts of the crisis and enhancing the organizational learning capabilities are essential elements of crisis management. The second component pertains to building policy/decision support capabilities to provide needed indicators, problem assessment/diagnosis, issue analysis, generation/evaluation of alternative policies/decisions, scenario building, and

impact assessment. Governments in most Arab countries lag behind developed countries and east Asian countries in the capabilities pertaining to crisis management and policy/decision support. Among the Arab countries, Egypt has pioneered the development of institutions serving the two areas. Information and Decision Support Center, attached to the cabinet, which was established in the late 1980s to serve both policy support and crisis management is the most advanced institutional example across the Arab region. The Center has been instrumental for developing similar spin-offs in a number of ministries and governorates. It engaged in various projects during 1990s to support top-level state policies. However, and due to limited demand on the part of the cabinet for its policy/decision support services, its role and impact on this area has been limited. However, Arab countries could learn from this experience to gain the positive lessons and avoid the negative ones. They could also learn from the experience of the reformist OECD and East Asian countries with regard to institutional and capacity frameworks used by these countries in the above two areas.

4. **Enhancing the efficiency of public sector.** Public sector efficiency can be enhanced through modernization of its systems and operations to achieve economy in the use of public resources. Efficiency of administrative systems and operations is realized when:
- Resources are optimally allocated and utilized.
 - Cost of services/programs are minimized.
 - Operations are streamlined.
 - Processes/performance cycles are sped up.
 - Waste and idle capacity are minimized.
 - Productivity of resources is increased.
 - Assets and resources are properly maintained and preserved.

The above items constitute elements of efficiency improvement programs of government administration. They also constitute domains for the development of efficiency measures to assess the need for efficiency enhancement and evaluate efficiency and productivity dimensions of public sector performance. Efficiency is not a substitute for effectiveness. The former has to do with how the internal systems of the government are functioning. Effectiveness pertains to what these systems produce and the impact they have in the targeted public or sectors. The later is an externally oriented concept. Most of the history of contemporary administrative reform contains attempts to institutionalize systems of administration or to improve their efficiency. And, most of the failure of these attempts come from lack of measurement of their consequences and low concern for goals and results. This is the paradox of most of the reforms conducted within the rule-based system of public administration which is widely applied in the Arab region. Thus, in the World Bank report (2003) on Better Governance for Development in the MENA Region, quality of administration was assessed through various indicators that measure the risk and level of bureaucratic corruption and black market activity, the degree and extent to which certain rules and rights are protected and enforced, the quality of budgetary processes and

public management, the efficiency of revenue mobilization, the overall quality of bureaucracy, and independence of civil service from political pressures¹. A number of interesting findings were obtained in this study (World Bank, 2003, P. 58-62).

- On average, MENA countries fall short of other countries at similar income levels in the quality of administration indicators in the public sector. The gap widens for richer countries in the region.
- Wide variations exist in the quality of administration between countries of the MENA region. There is also wide variation among countries with regard to the sub-items of the quality of administration.
- Most countries of the region do not perform much worse in the quality of their administration than countries at similar income levels, and several countries do better.

When this portrait is contrasted against the development indicators of countries of the region, a paradox emerges. The paradox can be stated in the following: whatever differential achievement countries of the region have with regard to improving public sector administration these achievements have not impacted on economic or developmental indicators.

Lack of goal/results orientation of efficiency improvement reforms and lack of synchronization with effectiveness requirements constrained such impact. Most administrative reform taking place in the region focuses on inputs or processes (e.g. training, organizations restructuring, procedure simplification and standardization). For efficiency enhancing reforms to produce performance improvement, they need to be well focused on particular areas constituting efficiency dimensions, and linked to efficiency measures as well as having goal/results orientation.

The following are contemporary approaches to reform aiming at improving administrative efficiency:

- **Re-engineering and streamlining administrative processes.** This approach has proved to be successful in eliminating, reducing/compressing and redesigning administrative processes and work flow while increasing the net value generated by the total system.
- **Quality systems.** These include applying quality assurance and certification (ISO) and/or applying Total Quality Management system. Application of these systems results in major improvement in efficiency and quality. Public organizations in Dubai and in Bahrain have taken the lead in the Arab region in applying these systems.
- **Organization restructuring.** This approach is usually used to provide for more focus through specialization, better coordination/interaction,

¹ Independence of civil service from political pressure can be interpreted to mean the degree to which such administrative systems have been institutionalized and operated based on objective (non-political) criteria.

removing overlap in jurisdictions, better control, and achieving hierarchal decentralization and simplification. It includes organization audit and redesign of both the organization and job structures and related manuals. The approach is widely used in reform programs in the Arab counties. Its impact on efficiency improvement depends on the simultaneous application of other approaches, the clarification of the reform objectives and the neutralization of personal/political factors. Many of the organization restructuring projects applied may result, due to political factors, in inflating/enlarging the structure rather than rationalizing it.

- **Civil service modernization**. This includes modernization of the various aspects of HRM system in the public sector through having clear policies, criteria, and procedures for the various functions of HRM. The modernization programs may include a mixture of institutionalization efforts and attempts to professionalize the processes of the system to enhance its efficiency and integrity. It may also incorporate building the capacity of the entity managing the functions of the system (e.g. HR planning, staffing, remuneration...etc), and introducing computerization of the HRM data bases and procedures.
- **Enhancing Transparency Through Modernization of the government information system and introduction of e-government**. This includes computerization of the information systems used by the government. This computerization movement in government has taken great strides worldwide after the spread of the personal computers. It has contributed to great improvement in data and information management and accelerated efficiency in most areas computerization was introduced. Yet in many countries in the world and especially the Arab countries only a fraction of the full potential of the computerization has been realized in the organizations/units in which computers were acquired. E-government systems represent a more advanced stage of the computerization. The system has been successfully applied in various countries in the world such as OECD members and East Asian countries. Various Arab countries have adopted e-government projects in selected domains. The more advanced and ambitious application of e-government is currently taking place in Dubai. The system accelerates the efficiency of government communication and services, provided that its internal and external prerequisites are fulfilled. Its success, as indicated earlier, depends on the proper reform (streamlining) of internal organization structure and process and on the electronic capability of the external public served.
- **Modernization of accounting and the introduction of government financial/costing systems**. Modernization of government finances pertains to rationalizing the budget structure and processes to achieve greater economy and efficiency on the expenditure side, and also to improving the efficiency of revenue collection. Modernization of government accounting involves improving the recording, classification, retrieval, communication, and disclosure of government accounting information so that it can improve the management of government

finances. Introduction of computerized accounting information systems can contribute greatly to this. A more advanced step in the modernization of this area is the introduction of costing systems to enable better planning and control over the cost of government programs, processes/activities, and services.

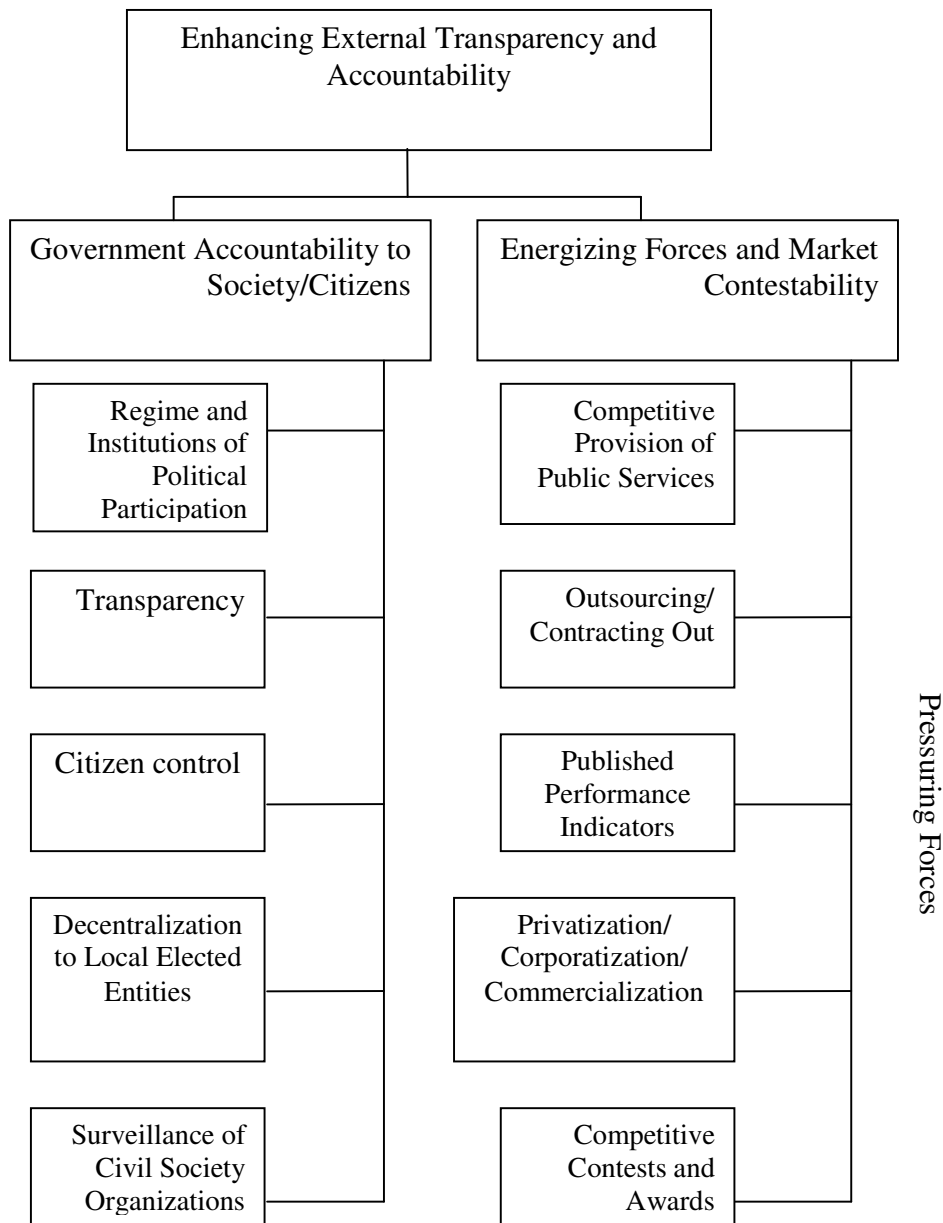
- **Asset management and resource accountability systems.** Governments all over the world possess/contain assets and resources of great magnitude and value. Yet the systems by which these assets/resources are acquired and managed leave a lot to be desired as far as economy, optimal use, preservation of value and efficiency/productivity. The systems of asset management and resource accountability attempt to rationalize the acquisition, utilization/development and preservation of various types tangible (e.g. physical/financial) and intangible assets (e.g. knowledge, information) available to government organizations.
- **Efficiency/productivity measurement and benchmarking.** Introducing efficiency/productivity measurement in government organizations represents a very powerful means to improve efficiency. Government organizations that have incorporated systematic assessment and analysis of such indicators have been able to achieve great improvements through the process of measurement, inter-organization comparisons and feedback. There is a worldwide movement to introduce efficiency and productivity indicators in the public sector. However, most of these attempts are taking place within wider modernization and effectiveness enhancement reforms. Comparative assessment of efficiency and productivity through benchmarking are also taking place within competitive contests and prizes among public sector organizations. These systems allow public organizations to learn from the best practices on efficiency.

External Transparency and Accountability

External accountability of the government and its answerability to the society and citizens is a supportive framework for internal accountability. Weak external accountability means that the government is not answerable to people and does not have to account for its policies and performance. Under such a situation the government would not be under the urge or pressure to enhance internal accountability systems. This is precisely the paradox administrative reform is facing in the Arab region. The governments in the region are not answerable to the society and citizens, and are not therefore under pressure to improve. Most of the gap between the Arab countries and the rest of the world are the striking weaknesses in external accountabilities and in access to basic political and civic rights. World Bank reports indicate that Arab countries, irrespective of their income, trail behind most countries of the world in public accountability. Richer Arab countries are even lower on public accountability than the resource poor countries. Governments in these countries face little pressure to improve governance to enhance economic development. The resource-poor countries of the Arab region are characterized by another paradox. The governance gap in these countries is likely to be due to the vested

interests of established entities reaping private benefits from the status quo of the weak governance (World Bank, 2003).

World experience indicates that external accountability can be enhanced through making the government more answerable to people. It can also be enhanced through injecting energizing forces and market contestability in government. The following figure outlines the elements of enhancing external accountability, which will be subsequently delineated.



Enhancing government transparency accountability to society and citizens. The following are various means by which government accountability to society and citizens can be enhanced.

1. Reform of the political regime and institutions of citizen participation.

This pertains to providing greater freedom, participation and voice to citizens. Participatory democracies provide various means by which citizens can choose their representatives in various state bodies, make government accountable for its actions, and exercise voice regarding these actions. The Arab region as a whole falls far below other regions with regard to political development and participation. This is why administrative and government reform has taken a slow pace in the region. Governments are under little political pressure to engage in serious reforms.

2. Enhancing government external transparency.

Transparency is based on the citizens' right to know. It requires the regular disclosure of information on what government officials and agencies are supposed to be doing, what they are actually doing, and who is responsible. It also involves clear publicly accessible information on the rights of citizens; services for which citizens are eligible; ways to access such services; and regulations citizens are expected to comply with (World Bank, 2003, P. xix).

Transparency generates the information by which public officials and agencies are made accountable to citizens and the society. Such information is essential in determining and enforcing rewards for correct actions and punishments for wrong doings. Transparency is a crucial element in any program aiming at combating government corruption. Transparency of government activities particularly susceptible to corruption are usually given emphasis in any serious anti-corruption programs. They are: (Pope, 1996)

1. Public procurement;
2. Customs;
3. Taxation;
4. Police (especially traffic police);
5. Immigration;
6. Licenses and permits (including drivers' licenses);
7. Provision of services where there is state-owned monopoly;
8. Construction permits and land zoning; and
9. Government appointments/employment.

The condition of government transparency in the Arab region leaves a lot to be desired. Lack of government transparency in the Arab countries in the above areas has been a major factor for the chronic problems of administrative corruption in the region. Enhancing transparency of government is a condition for improving public governance in the region. Additional complementary measures to enhance transparency are also needed.

They include enhancing the freedom of the press to expose malpractice and providing protection for whistle-blowers² and facilitating their role in reporting misconduct.

3. Enhancing citizens' control.

To insure greater government integrity and to improve public sector performance, citizens constituting the direct stakeholders of government actions need to be empowered with control and surveillance capabilities. This can be achieved in a variety of ways. Giving the citizens the right to complain; engaging them in the assessment of services; allowing them to participate in planning/budgeting and formulation of priorities; and engaging their civil society representatives in government reform plans are examples of citizen empowerment schemes. Over the last decade, a number of Arab governments have attempted some of these schemes. Thus, in Tunisia citizen groups have been instituted to evaluate various public services. In Dubai, citizen satisfaction surveys are now commonly used by government organizations. In Kuwait, an attempt was made in the early 1990s to conduct citizen surveys to assess public service quality. Most countries of the region have citizen procedure and citizen care units in the government organizations. However, the effectiveness of these systems are very limited due to weak enforcement, and lack of citizen surveillance over them. Various Arab countries are gaining increased awareness of the importance of citizen satisfaction with government services. Various slogans are raised carrying the notion of customer sovereignty in public services. However, these attempts have proven to be hard to translate into tangible reality under systems that greatly constrain the political sovereignty of citizens. Customer sovereignty flourishes under systems that ensure citizen sovereignty.

4. Decentralization to local elected entities.

This can be done through transferring power to local entities whose officials are elected by the local citizens. This type of decentralization brings power and governments closer to the people. It allows local communities and citizens to exercise surveillance over local entities; and brings the decentralized power to be answerable to local people. By doing so, services will have greater correspondence to local community needs. The issue of decentralization to local entities has been attracting greater interest in the Arab region recently. In Egypt, Yemen, Morocco, and Tunisia a strong reform movement has been calling for the transfer/devolution of authority to local bodies, especially elected ones. However, the hegemony of the central government has been constraining actual transfer of power to local entities. The relatively short experience with local participation has also been a limiting factor of transfer/devolution of power to elected entities.

5. Activating the role of civil society organizations.

In modern societies, civil society organizations play an essential role in making the government accountable to the society, by adopting issues representing the interests of various society groups. Enhancing the role of civil society in demanding accountability from government involves the most basic questions about power, integrity, transparency, and participation (Pope, 2000; Orrego, 1995). The work of Putnam (1993) has

² Whistle-blowers are those individuals who direct the attention to wrong doings and expose malpractices taking place in the organization. By doing so they may face the risk of vindictive actions by those whose wrong doings have been exposed.

demonstrated that the civil society can be instrumental for economic development, by providing the institutional mechanisms for collaboration and participation among people. Civic participation can be instrumental in getting people to adhere to rules they have imposed on themselves (Putnam, 1993). Activating the role of civil society in demanding and enhancing accountability from government requires a political environment characterized by freedom and voice. It also requires that civil society organizations, themselves, be accountable, transparent and egalitarian. In the Arab region, the slow development of the civil society has been one of the major factors for governance deficiency. The Arab states have been reluctant to include civil society as a partner in development, let alone allowing it to act as a watch dog on government and state actions. Oftentimes, governments have seen it as a rival, both in terms of power and influence, and in terms of the outside aid it diverts from sources and channels which have traditionally been the exclusive preserve of government. Being in a developmental state, the situation of the civil society in the Arab countries is exacerbated further by the difficulties its organizations have in securing adequate funding and access to information while retaining independence and avoiding accusations of being foreign dominated.

6. Introducing energizing forces and market contestability.

The idea of introducing energizing forces and market contestability has to do with creating pressure on the public sector to change and improve similar to those constituting the environment in which the private sector operates. The contemporary literature on government reform has emphasized the importance of pressure and market contestability as means to activate forces for change in the public sector (Manning, 1996; Holmes and Shand, 1995; Commonwealth Secretariat, 1995; OECD, 1995; Osborne & Gaebler, 1993). James and Manning (1996) differentiated between four types of pressure for government reform. They are: fiscal pressure; consumer pressure (consumerism); pressure for new ideas (paradigm shift); and external pressure (emanating from the forces of globalization and other international sources).

At the core of the group of countries which have experienced the greatest pressure for change in all areas, a pressure that have led to extensive public service reform, are the OECD countries (Manning, 1996). With the exception of fiscal pressure and external pressure, the pressures for reform in developing countries are low. This is why, as Manning (1996) indicates, the interest in reform shown by governments of these countries have not been matched by good implementation, and reform projects generated by the pressures had limited or no impact on the wider public sector.

The situation in the Arab region is similar to that in the developing countries. Not enough pressure is exerted on the governments to engage in serious and extensive reform that changes the basic assumptions and tenants of the system of governance and administration. This is particularly true as far as changing the conditions under which public sectors operate toward energizing the forces for change and introducing market contestability.

Using the framework suggested by James and Manning (1996), the following table is constructed to provide comparison between Arab countries and other groups of countries with regard to pressures for government reform.

| Pressure for Reforms | <i>OECD Core Reforms</i> | <i>Developing Countries</i> | <i>Arab Countries</i> |
|--|----------------------------|-----------------------------|---------------------------|
| Fiscal Pressure | High | High | Low/Medium |
| Consumer/Market Pressure | High | Low | Low |
| Pressure of New Ideas: Voluntary Pressure | High | Low/Medium | Low |
| External Pressure | Low | High | High |
| Overall Pressure for Reform | Consistently High Pressure | Varying Pressure | Consistently Low Pressure |

The question is how to overcome such condition of low incentives for government reform in the Arab countries? The pressure factors suggested by James and Manning pertain to the overall aggregate macro level. However, it is possible to introduce pressure factors and mechanisms that operate at lower than the aggregate macro level. The factors delineated below can be considered as examples of the energizing and market contestability factors that can be used to generate pressure for reform in the Arab countries.

1. Competitive provision of public services.

This can be realized through creating contestability in the provision of public services. By arranging for several sources of supply, competitive provision generate a strong pressure on government organizations to improve and reform. This has proven to be a very effective way to create pressuring competitive forces within the service provision that lead to improvement.

2. Outsourcing and contracting-out.

Government outsourcing of supplies and services and its relying on outside sources for provision of certain activities through contracts have been growing as a means to reduce government size and achieve efficiency and economy. The growing use of these policies has been created out of the pressure to economize government spending, improve quality of services and streamline government operations. It has been used to increase the government reliance on market sources for service provision. In both cases of outsourcing and contracting-out, the government maintains control over service prices and quality standards. Over the last decade, various Arab countries have started to rely on outside sources of supply or provision. Most of the applications are taking place at the sub-government and local levels. Operations of the central government have not been affected much by this trend. What is needed is a comprehensive audit of various government activities which constitutes support or auxiliary functions for consideration of outsourcing or contracting out these functions.

3. Externally publishing performance information.

This assumes that the performance of government organizations is assessed through systematic means. A great deal of pressure on these organizations to improve and reform is created through external scrutiny of and publication and dissemination of extensive performance information. The promulgation of such information triggers the interest of the public opinion, the press, the stakeholders, reform experts, interest groups in addition to the government controlling agencies, and generates the needed pressure.

4. Privatization/commercialization/corporatization.

These represent various means of introducing market-based mechanisms in the public sector. Within this, Manning (1996) suggests that priority should be given to moving market-based activities to the private sector. Privatization and private sector provision (outsourcing and contracting out) represent the means to achieve that. Successful application of these market-based transformations requires effective regulatory institutions especially in the case of public utilities. Where privatization and private sector provision is not possible, two options are available; commercialization and corporatization. Commercialization means the government continuing to provide the service but on cost-recovery or other price/fee bases. Corporatization involves designing corporate forms with government for functions expected to generate operating surplus (Manning, 1996).

5. Installing competitive contests/awards schemes.

Competitive contests and awards in the public sector are being used now by an increasing number of countries in the world. They are used to reward organizational excellence, to provide an energizing force for development and innovation, to create a quasi competitive market mechanism among public organizations and to provide an opportunity for organizational learning through benchmarking among these organizations. When the criteria of these contests are properly designed and implemented, the contests/awards schemes can generate a powerful force for improvement and reform. The experience of OECD countries and the newly industrialized countries in using these schemes can be of great benefit for the Arab countries. In the Arab region, Dubai has been using these schemes since 1998. Originally they installed an award scheme similar to Malcom Baldrige Award used in the USA. But over the last few years they adopted the scheme of the European Quality Award. The award system has been developed into a full-fledged program containing various contests/awards to recognize and reward different types of innovations and performance distinction at various levels and domains. Over the last three years the program was expanded to include prizes and contests for public sector performance at the scale of the Arab region. The program is strongly supported by the top leadership of the Emirate. The impact of this program on improvement, innovation and reform of public sector organizations in Dubai has far exceeded any other reform program in the Arab region at the national or local levels.

6. Conducting integrity audit of public sector organizations.

Integrity, transparency and ethics should be incorporated in the standards by which public sector organizations are made accountable. Verifying and assessing ethical conduct of

public officials and public agencies requires subjecting their practices and activities to accountability surveillance and audit. This is not to search for wrong doings but also for exemplary cases of ethical conduct. In countries with strong integrity regimes the task of conducting this audit is done on regular basis and irregular points when necessary by the anti-corruption institution. Special attention is given to government activities particularly susceptible to corruption. Usually greater scrutiny is applied to these areas. The power of such audit is greatly increased when its reports are made public. Introducing such a mechanism in the Arab countries is likely to depend on the strength of their commitment to combating corruption and strengthening integrity.

7. Matching pressure/energizing forces and actions.

It is not enough to generate pressure and energizing forces. It is equally important to link these with reform actions, and to make sure that change and improvement have become a habit. This is not to say that Arab countries should engage in changing their government systems and practices for the sake of mere change. It implies that change should result in improved performance and impact. Externally generated forces for improvement should be matched with internally activated mechanisms such as transformational/innovative leaders, TQM, quality circles and organization/group learning networks. Aligning external forces with internal energizing mechanisms is likely to change the culture of stagnation, passiveness, mechanistic mindset, and rule-oriented resistance to change characterizing government bureaucracies in the world, including Arab countries.

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