

### CHALLENGES OF PUBLIC MANAGEMENT IN GLOBAL SOUTH

Desafios do Gerenciamento Público no Sul Global

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### Introduction

Most of the global south countries emancipated from colonial rule during post Second World War period with the vision of establishing exploitation and poverty free equal society. They attempted 'welfare state' in the place of 'police state' system. But many global south countries experienced political misrule and bad governance due to personalised political regimes and civil/military dictatorships. Some of them have been experiencing civil war, coups and counter coups, insurgencies, autocratic rules, violence, and socio-political conflicts since 1980s. These countries are politically demobilised and economically ruined due to poverty, underdevelopment, illiteracy, corruption, and political instabilities. Few of them have been struggling to triumph over these problems through instituting of democracy and establishing of good governance since last couple of decades. Donor agencies and development partners prescribe global south countries to introduce an effective public management system as an essential requisite of good governance and success of democracy. An effective management of public organisations, departments, agencies, bureaus, and offices is vital to the success of government programs, policies, and regimes, and perhaps even of democracy itself (Lynn, 2006:1). An effective public management can ensure effective state which can

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contribute to sustainable development and poverty alleviation (World Bank, 1997). But these countries face some challenges to introduce public management. In this article, we are defining the concept of public management at first then we will focus on the challenges of public management in global south with its remedies.

### What Public Management is?

Academics conceptualise the concept of public management from their own perspectives that is a barrier to develop a concrete and generally recognised definition on it (Schedler and Proeller, 2010). However, it can be simply stated that public management is the accomplishment of "certain tasks related to policy implementation in publicly supported programs" (Jones, et al., 2001).

A state has multidimensional and multi-sectoral purposes which need to be performed in its jurisdiction. Among these purposes two are important: formulation of laws and assurance of social compensation. To achieve these, a state has to have a system of government which is comprised with three key organisations: executive, legislature and judiciary. Public administration is linked to the executive branch of the state.

Like public administration, public management is also viewed as encompassing organisational structures, managerial practices and institutionalised values (Lynn, 2006). For this, few academics (Lynn, 2003; Pollitt and Bouckaert, 2000) argue that public management and public administration are same. If we consider both concepts of public administration and public management are same then we will ignore the multidimensional aspects of public management. Public management needs to reduce the role, scope, and size of the government for an efficient service delivery system for its citizens as clients. Indeed public management is a comprehensive system of governance which can be established through deregulation, decentralisation, privatisation, downsizing the administration, debureacratisation, and introduction of partnership between state and civil society to the improvement of relationship between citizen and state. "Downsize, devolve, dispense, empower both employees and recipients" of governmental services are major concerns of public management (Ott and

Dicke, 2001). The core element of public management is to concentrate on outcome rather than process. It aims to revitalise traditional bureaucratic organisation to maximise its 'efficiency' and 'effectiveness' to meet the challenges of globalisation, revolution of information and communication technology (ICT), increased demand of the people, and spread of liberalism and neo-liberalism.

In the age of globalisation and liberalisation some countries denationalise most of their sectors including service sectors such as health, education, utility services, and social protection. In these circumstances government administration has to follow some tools of management which are used in private administration. Public management indeed attempts to maximise its efficiency and effectiveness resembling these management tools which are followed in both public and private administration. And this revitalised form of government administration is called public management.

### Public Management in Global South: Challenges and Remedies

The end of Cold War and growing interdependence on global economy boost pressures for competent regulation and reliable, economic, efficient, and frugal management of public agencies (Caiden, 1991, 1999). Global south countries face some challenges to ensure economic and efficient management of public agencies. Flynn (2002) identified three challenges of public management: efficiency of public servants work, standard of public services, and corruption. Borins (1995) indentified 'too large and expensive public sector' as a challenge of public management in these countries. The challenges are faced by global south countries to establish an efficient public management system and the remedies to meet these challenges are discussed below:

### **Colonial Administration**

At the beginning of independence, global south countries had a challenge of state building and strengthen the economy to response the aspiration of a nation. It is a very tough to attain this goal through an inherited colonial administration which is common for global countries. Administrative machineries must be restructured and reformed due to response the changing demands of the people in an independent state.

Although these global south countries realise the necessity of reforming and restructuring their administration, some internal and external dynamics could not support them to do it. For example, current administrative structure of Bangladesh is almost same which was established in British period. British left this country seven decades ago in 1947. After this, Bangladesh (then East Pakistan) experienced another exploitative rule in Pakistan period (1947-1971). Bangladesh got independence through serial movements and a nine month blood-spattered war in December 1971. As an independent country Bangladesh has been taking a number of initiatives to restructure and reform its inherited administration since last four decades. But lack of political commitment, incapacity of state, clientele nature of politics, politicisation of administration, bureaucratic resistance, factional strife in public services, and corruption are the obstructions to reform and restructure the administration of Bangladesh (Sarker, 2004). Some challenges of global south countries like poverty, employment, AIDS, environmental and energy management, health care, decentralisation, and urban development have evolved into multi-dimensional issues. Global south countries need an institutional approach which includes people support and their active involvement to address these challenges, (UNDP, 1997).

#### **Poor Revenue Collection**

A state must allocate a certain amount of money to meet the expenditure of the administration. The administration becomes paralysed without sufficient finance. The main source of finance the administration is revenue of the state includes all amounts of money such as taxes, fees, custom, and duties. Revenue collection figure in global south countries is not satisfactory due to traditional tax collection system, law turnover, limited scope of taxation, and corruption in tax administration. The gap between government services and revenue is a common syndrome in global south countries. Loose management of public agencies, corruption, unrest, and shortage of resources persist this gap day by day. As a result, administration of these countries cannot provide services to their citizen at satisfactory level. These countries cannot implement development projects due to shortage of fund too. They cannot allocate a sufficient



amount of money to make their administration efficient and effective. In addition, some taxation strategies such as tax competition, trade liberalisation, tax holiday, and tolerance of tax havens are followed in these countries that deteriorate domestic revenue figures. For instance, tax revenues account for only 13% of government earnings in low income countries while it is 36% in rich countries (Cronin, 2008). In the colonial period, tax administrator in global south counties had discretion to negotiate on tax payment where they could exempt any amount of tax to any person. It has been practicing in some global south countries since their independence. For example, district commissioner has discretionary power to negotiate tax payment and exempt any amount of tax at the local level in Kenya and Zambia. Indeed, narrower scope of tax and lower collection rate of imposed tax lacks internal income of the state in global south. Consequently they have to depend on developed countries and donor agencies for loan, grant or aid to run their administration and to implement development projects. Poor revenue collection further extends external dependency which is a core challenge of effective public management in global south.

### **Political Crisis and Bureaucratic Resistance**

Global south countries need transformation of public management to create basic system of governance, devise democratic institutions, promote and build civil society, and reshape the relationships with citizens to manage resources and public affairs properly (Hope, 1997; Kettle, 2000). Political instability and abuse of government power is common feature of global south countries. Government offices in these countries cannot serve the citizens at satisfactory level as well as the government development agencies cannot achieve the goal of development in time properly due to unnecessary bureaucratic procedures such as 'red tapism', formalism, lack of decentralisation and delegation, mal-integration, and overlapping. Iron law type hierarchical bureaucratic system in these countries handicaps the government offices. As a result, they cannot response local, national and global necessities appropriately. On the one hand, lack of legal rational political authority and lack of specialised knowledge of political leadership make them incapable to control and accountable the bureaucracy

for their performance; on the other hand, specialised knowledge, permanency, unity, and hierarchy make the bureaucracy more powerful than political authority. Aristocrat attitudes of bureaucracy in these countries put the administration far from common people. As a result, the administration cannot understand the demand of the people as well as the attitudes of the people towards government services precisely. Therefore bureaucracy in global south countries is criticised for its 'negative connotations' (Raadschelders, 2000: 142) such as 'complexity', 'inefficiency', and 'inflexibility' (Johnson and Libecap, 1994). Furthermore, bureaucracy of global south countries is criticised as they prioritise to fulfilling their own interests like promotion, better pay structure, facilities, and amenities rather than to improve their quality of services for their clients as people. This attitude of bureaucracy leads a distance between government and citizen that is a barrier to good governance. In addition, political involvement of bureaucracy lacks their effectiveness and efficiencies. For example, in 1996 a number of top level bureaucrats in the central administrative machinery called Secretariat in Bangladesh declared non-cooperation programme against the government to support the political movement of then opposition political parties. As a result, then government was collapsed within few days. It generated administrative crisis throughout the country. After couple of months the opposition political party became in power and the newly formed government rewarded the bureaucrats who was involved with the anti-government movement and helped them to throne the power. Even then government rewarded the leader of the 'indiscipline' bureaucrat with the post of member of the cabinet e.g. Minister of Planning. Such political involvement of bureaucracy damages impartiality and objectivity of administration.

### Corruption

Corruption is a barrier to reconstruct and consolidate global south (Delesques and Torabi, 2007). It restricts investment and hold back economic growth. It also makes public management ineffective that declines productivity of a nation (Pack, 1988). Corruption is an important symptom of low quality government (Besley, 2006). Developed countries and donor agencies finance global south countries to alleviate

poverty and strengthen their administrative capability. This flow of foreign money in fragile and corrupt management of public affairs makes them more corrupt. For example, in the last decade the Anti Corruption Commission of Bangladesh filed a number of cases against politicians, bureaucrats, police and businessmen due to corruption whereas most of the big deals are related with earning of money as bribe from the donors agencies, multinational corporations, and foreign investors.

If we concentrate on Corruption Perceptions Index (CPI) of Transparency International of last decade, we can see all of the most corrupted countries came from global south. These countries have been fighting against corruption since long time but they could not break the trap. However, some of them became successful to come out from the trap of corruption as a result of taking some measures. For example, in 1994, Botswana established the Directorate on Corruption and Economic Crime (DCEC). The DCEC investigated and prosecuted offenders, designed strategies to prevent corruption and provided mass education on the bad effects of corruption. As a result, Botswana became successful to control corruption and able to establish an effective public management (Raphaeli and MacKellar, 1984; Wescott, 1994). Another example can be given in the context of Bangladesh. Bangladesh got highest index as the most corrupted countries for five times in serial. In 2006, Bangladesh established Anti Corruption Commission which filed thousands of criminal cases against politicians, civil and military bureaucrats, officials of police and land administration, and businessmen due to the charge of corruption. These measures against the corruption help to make public management efficient. Lastly, administrative accountability is an important tool to eradicate corruption. Public accountability is considered as hallmark of modern democratic governance (Bovens, 2005). It is also a safeguard against corruption, nepotism, abuse of power, and other forms of inappropriate behaviour (Rose-Ackerman, 1999).

### Globalisation and Structural Adjustment Policies as International Dynamics

Larbi (1999) argued that the wave of market reform and political pluralism that swept across the Western countries in the 1980s and collapse of Soviet Union affect

public management in global south significantly. In post-independence and post-conflict reconstruction era, most of global south countries expanded public services and development programme especially health, education, infrastructure, and energy sector through foreign assistance. They borrowed a large amount of money from bilateral and multilateral agencies to implement development projects and reform their administration. Most of the development projects and administrative reform initiatives have been taken to fulfil the foreign interest rather than the interest of common people. For example, Ghana built Akosombo Dam under Volta River Projects which is the world largest artificial lake used aluminium smelters to take advantage of the country's bauxite resources (Situmbeko and Zulu, 2004). This project serves overseas corporate interests rather than Ghana's local people interest. Local people of Ghana have no access to the electricity of this project.

World recession decrease the export and increases the price of import items in the global south. It generated a trade gap between global south and developed countries. Christian Aid (2003) reported that traditional export commodities like coffee, cocoa, rice, sugar, and cotton of third world countries are declined continuously. UNCTAD (2008) reported that the situation of developing countries remain highly vulnerable due to the fluctuations of commodity prices. As the crisis gets deeper and global north lend money to global south that needs to shore up their reserve. For this, many countries in global south face trouble to formulate their national budget. They have to cut and reduce allocation in social services to face this crisis. For example, in developing countries there was a fund shortage of 4 billion US Dollar to fight against AIDS, Tuberculosis and Malaria where the funding gap was 10.7 billion US Dollar in 2010 (Palitza, 2009). Cutting of development budget and limiting the expenditures in public services raises apathy among people against government administration of respective country. In addition, cut of revenue expenditure de-motivates the government personnel. It is a barrier of instituting an efficient and effective public management system in global south.

Donor agencies and foreign government exert considerable influence in policy process in global south through putting different condition to get and use fund and

grants. For example, almost all countries in global south are coerced to adopt and implement policies of deregulation and privatisation through structural adjustment programmes. They are also forced to remove import controls and restrictions on foreign investment, to privatise state enterprises, and to devaluate currencies. For example, many global south countries have already privatised their telecommunications, postal services, shipping, airlines, forestry, water supplies, railways and public transports, and health and education services. However, privatisation of these sectors could not bring significant changes in their services. For example, Fiji established Housing Authority to provide affordable accommodation for an increased number of homeless people but recently they restructured it as a business-like manner and charged high rent for its properties according to the recommendation of Asian Development Bank (Mohanty, 2005). Another example, privatisation of primary education in Tanzania brought an adverse effect in enrolment where the rate fell from 98% to 78% from the mid-1990s to the mid-1980s (Therkildsen, 2001). Experiences of adoption of structural adjustment policies in Uganda, Vietnam, and Kenya are distressful too.

Low pay structure and downsizing the number of employees in the administration has an adverse effect on the quality of public management across global south. For example, from early 1980s to early 1990s, the number of employee in central government in Sub-Saharan Africa fell from 1.8% to 1.1% of total population and average pay fell from 6.1 times per capita income to 4.8 times (Schiavo-Campo, de Tommaso and Mukherjee, 1997). In Africa, public sector wages were declined by 80% between 1970s and 1980s (Ayee, 2005). In Liberia, salary range of civil servants is 30 US Dollar to 55 US Dollar per month (Kumar and Brar, 2008) and in Zimbabwe a doctor's per month salary is only 10 US Dollar (The Sunday Times, 11 January 2008). For this, talented and skilled manpower do not have enthusiasm to join government services. For example, approximately 20,000 skilled workers leave Africa to Europe and the USA each year (Bond, 2006). It lacks meritorious, talented and skilled manpower in public management of global south. It is an obstruction to improve service delivery mechanism which is very important to response the public necessities adequately and carry out the development projects in time properly.

#### E-Governance

E-governance in global south is difficult to implement, hard to manage and often fails (Heeks, 2006). eGovernment for Development (2007) estimated that in developing and transitional countries, 35% e-government initiatives became totally failure, 50% became partially failure and only 15% was successful. Low success rate of setting up of ICTs in Africa (Berman and Tettey, 2001) and high rates of e-government project failure in developing countries (Heeks, 2002) indicate that there is no sufficient capacity to adopt ICTs to improve the efficiencies of public management system. It is a big challenge for global south countries. The rate of digitalization of administration in global south countries is not praiseworthy. The old fashion administration and primeval employees are not ready to welcome the using of ICTs in the administrative process as well as to serve the people.

### **Multi Level Governance**

Multi level governance is a new form of democratic decentralisation which became popular in developing countries since 1990s (Dillinger, 1993; McCarney, 1996; Crook and Manor, 1998). Baker and others (2005) consider such type of governance as an intimate entanglement between domestic and international levels of authority. Few developing countries transferred a little authority to grass roots level to ensure better service to the people as well as include local citizen to the governance. But dominating attitude of bureaucracy, central dependency, lack of coordination, mal-integration, and poor service delivery mechanisms are barrier to success of this initiative. Studies of UNDP, UNHCS, and the World Bank found that only 12 out of 75 developing and transitional countries have done the transfer of power to democratically elected councils at intermediate and local levels (Dillinger, 1993). For example, Ghana, Cote d' Ivoire, and India have been facing the problems in transferring authority to the local level administration since last couple of decades (Crook and Manor, 1998). Philippines, Uganda, and Zambia have also been struggling to decentralise their administration since last decades (Bossert, 2000). In Bangladesh, the election of Upozilla held in January 2010 but the elected representatives did not get the authority over local resources,

development projects, and judicial administration according to the constitution yet. The Members of Parliament (MP) coordinate and look after all developing activities instead of local representatives. The local MP is the advisor of Upozilla, Municipal, and Union Parishad in his jurisdiction. Even MP exercises formal authority to make accountable and responsible the Chairman of Upozilla, Municipal, and Union Parishad for their performances.

#### **Conclusion**

We have seen the challenges of effective and efficient public management in global south and their possible solutions for individual challenge. New public management could be the best solution to global south countries to strengthen their administrative machineries to achieve esteem development goal through the solution of multidimensional and multi-sectoral problems. New public management does not only ensure a set of managerial and service delivery techniques but also incorporates a set of techniques to serve the people at satisfactory level. The essential initiatives of new public management are: privatisation, deregulation, marketisation, and establishing welfare state in the place of police state system. Individual rights rather than collective rights is more considerable to the new public management. The statesmen of global south countries should consider that effective and efficient public management is an important strategy to strengthen democracy and human rights, promote economic prosperity, extent social cohesion, and deepen mass confidence on government and governance.