

Civil servants: an endangered species?

Speech by Professor Roel Bekker, Secretary-General for Central Government Reform, at the Institute of Public Administration Australia (IPAA) National Conference, Brisbane, 19-20 November 2009

1) You may have heard this joke before. After a long hiring process, a department with a vacancy is left with three candidates. One by one, they come before the hiring committee and are asked the same question: can you count from one to ten? The first candidate, a former sergeant-major, says right away, 'Yes, no problem: one-two, one-two, one-two.' 'Thank you,' says the chair of the committee, 'you'll be hearing from us.' The second candidate, a former postman, says, 'Of course, nothing simpler: 1, 3, 5, 7....' 'Thank you,' says the chair of the committee, 'you'll be hearing from us.' The third candidate was previously a civil servant. Asked to count from one to ten, he says: 'Yes, certainly: 1, 2, 3, 4, 5, 6, 7, 8, 9, 10.' 'Excellent!' says the chair; 'can you continue?' 'Certainly,' says the civil servant: 'jack, queen, king, ace!'

2) I rather like collecting civil servant jokes. This one, like so many others, shows what people think about us: that we have easy jobs, are highly paid and don't do much. It's a French joke, actually, which shows that the prejudice isn't limited to the Netherlands. That's comforting. But it raises the question of where this prejudice comes from.

3) The general explanation is that government isn't popular, and so the civil service is tarred with the same brush. Government restricts what you can do, collects taxes and gives orders. People usually think that's ok when it happens to other people, but not when it happens to them.

4) What's more, people have to pay taxes without being allowed to decide what they will be spent on or what they'll get in return. As a result, those who act on behalf of government can expect criticism, verbal harassment and, increasingly, even physical aggression.

5) The way that the media blow the government's mistakes out of proportion doesn't help foster respect for public servants either. And when incidents or accidents occur, government is blamed for not preventing them. No one believes any more in simple bad luck; they think it's the government's job to eliminate bad luck, or at least its consequences.

6) Another problem is that government is closely associated with politicians, who are not widely seen as trustworthy people. This is nothing new, but the problem has grown in recent years. A recent Dutch poll showed that trust in politicians has fallen below that in second-hand car dealers, which is a sorry state of affairs. Trust in government always used to be high in the Netherlands, and still is compared with other countries, but it is now at a much lower level.

7) The story behind this lack of trust is a complex one. An excellent study by the Kennedy School of Government, with the revealing title *Why People Don't Trust Government*, has shown that not only government but all traditional institutions are losing public confidence. Established institutions like banks and insurance companies have outdone themselves in this respect in the recent financial crisis.

8) Society has been rapidly individualised and digitised. On the one hand, this has increased people's uncertainty. On the other hand, it has made people less willing to be guided by traditional public and private authority figures. Now they can make their own decisions, and step easily across boundaries that were once clearly marked.

9) In this situation, where social tensions are rising and trust in authority declining, politicians are doing everything they can to show that they are taking action, responding quickly to crises, and supporting drastic measures that bring immediate relief. And they want to show that they are paying close attention to what the people want. Sometimes they can observe this first hand, but mostly they learn it from opinion polls, which show on an almost daily basis how approval ratings for specific politicians are going up or down.

10) In line with this trend, politicians regularly push for major reforms in the machinery of government, especially when elections are approaching. Election platforms often include calls to drastically reduce the number of civil servants, cut red tape

and make government more user-friendly. Unfortunately, at the same time that politicians promise less government they also promise to do more: build more roads, improve public safety, provide more and better education, deliver much more health care and hand out more grants. To do more, in short, with far fewer civil servants.

11) Civil servants too support reforms, so that they can achieve more, enhance quality, improve service and give their paymasters – in society and politics – more of what they want.

12) So both politicians and civil servants want reforms, but they sometimes have different aims and expectations. This can lead to frustrations on both sides. Politicians suspect civil servants of stalling for time in the hope that less drastic programmes will come out of future elections. Civil servants think that if they work all out to cut the size of government and raise efficiency, it will only make politicians hungry for more.

13) There are tensions between civil servants and politicians in other areas too. Especially when politicians want to push through policy changes quickly and run up against a civil service that points out the measures' weaknesses or warns that they're not feasible. Politicians will tolerate some dissent, but only up to a point. They often distrust civil servants' advice, not only on policymaking but sometimes even on implementation, and rely more and more on their political friends for both.

14) There is also a tendency not to leave the selection of civil servants entirely in the hands of the civil service, and to base it on professional qualifications, but also to bring political expediency into the equation. Politicisation of the civil service is a problem that is being discussed more and more often at international conferences on public administration.

15) This sketch of current trends is based on my experience in the Netherlands. But I think similar forces are at work in many countries, especially in the most developed OECD states. Take, for example, the first Mazankowski-Tellier report on the Canadian public service and Paul Tellier's comments when it was published. Among other things, he said that 'the level of tension between parliamentarians and the public service has increased tremendously and this is very unfortunate'.

16) There is a looming gap between the political system and the administrative system, which could take on dangerous dimensions. It is weakening not only the effectiveness of politics but also the credibility of the civil service. This is a key element in the delicate balance of our system of government. In my view, a strong, independent, competent civil service is essential to a functioning, balanced democracy.

17) The symptoms I've been describing recurred in the run-up to the last elections in the Netherlands. The parties were outbidding each other left, right and centre on the numbers of civil servants they wanted to make redundant. For the Secretaries-General – the most senior civil servants of each

ministry, comparable to the Secretaries in Australia – this prompted us to take stock of our situation and make a strategic assessment. What was better? To batten down the hatches and hope that the storm would pass? Or take the initiative as civil servants and show that it is in fact possible to slim down the civil service and at the same time raise its efficiency?

18) We chose the second option. While the government was still being formed we presented a plan, which the new government adopted. Political parties forming a new government are always flooded with plans, which generally end up unread in a filing cabinet – but for us, the civil servants who normally play no role at all in forming new governments, they made an exception. Somehow we had struck the right note and managed to convince the parties that our plan was serious. And in the process we had solved a couple of unresolved problems for the negotiators. Our plan delivered savings that they needed. And it ended their fruitless discussion about government reform, in which some wanted cuts mainly in social programmes and others in intermediate levels of government like the provinces and water authorities.

19) This proposal by the Secretaries-General became part of the coalition agreement, and a special Secretary-General was appointed to implement it. That has become my job. The plan is made up of two parts: smaller and better. ‘Smaller’ gets the most attention, unfortunately. I owe my nickname to it: ‘the butcher of The Hague’. I have tried to trade this in for a more subtle nickname, but in vain. When I told Jane Halton, my close

Australian colleague at the time, about my new job, she sent me a cheerful email back: 'Congratulations! We have someone like you here; his nickname is Dr Death. Good luck!' All over the world people want to get rid of civil servants. But I don't want to talk about making government smaller; I want to talk about making government better. Making it 'fit for purpose', to cite British Home Secretary John Reid's 2006 criticism of the Home Office.

20) In the Netherlands, as in many other countries, there have been many similar attempts in the past to reform government. A while ago we asked a Dutch professor, Mark van Twist, to study the reforms of the past forty years. His conclusion was that many of the reforms had undoubtedly helped promote a spirit of innovation, but overall they had not had much effect. Other developments, which had not been planned and certainly not included in political programmes, had had a much greater impact. In our country they included drastic reforms to financial management, large-scale IT projects and the modernisation of the laws governing civil servants.

21) These major reform plans have often included visions of the government of the future. But in general nothing much has come of them. It's hard to make predictions, especially about the future. Blueprints of government are popular with consultants, but they aren't much use for government itself. So this time, we as Secretaries-General chose not to paint a picture of the government of the future, but instead focused on performance. We didn't propose any spectacular restructuring,

but rather a major series of decentralised improvements, penetrating deep into the marrow of administration, and aimed above all at better working methods.

22) Our goal is not to create a government of the future but to prepare government for the future. We need a government that can meet future challenges, however unpredictable. We can be sure that there will be many surprises that will demand a government response, and that there are many crises still ahead: if not financial or economic then in areas like infectious disease or social cohesion or terrorism. As in any fitness plan, our plan calls for slimming down, but that's not its main focus. The main question, as President Obama said in his inaugural address, 'is not whether our government is too big or too small, but whether it works'.

23) I would like to discuss several topics that relate to this challenge:

- policymaking and implementation;
- the structure of government as such;
- politicians; and
- civil servants.

24) Let me start with policy. I already said that we face enormous challenges and uncertainties. The only thing we can be sure of is that there will be challenges. And one more thing: they won't arrive neatly packaged so that we can simply take the appropriate script off the shelf or forward the problem to the relevant department. They will be multidimensional, national

and international problems. Solving them won't be a task for any one agency: both central and local government will have to play a role. The challenges will often lie on the interface between the private and public sectors, and we will need new forms of partnership to tackle them. This in turn will require a completely different way of making policy from what we're used to.

25) Another factor that is sometimes at odds with calls for government action is the equally common call to put a stop to government interference. Less government has become a central principle at many levels of government – although attempts to scrap outdated policies often provoke such an outcry that the decision is made to leave them as they are. That is one cause of the steady growth of government. So a central aspect of our approach is deregulation and reducing the administrative burden. Our goal is to reduce the administrative burden on business by 25% in four years. And we have similar goals for institutions, public sector professionals and the general public. 25% is a lot!

26) Policymaking involves other dilemmas as well. Of course government needs to spend less, but when anyone is personally affected by a cutback, watch out! We saw this a couple of years ago when we abolished a range of very labour-intensive, inefficient grants for sport and welfare organisations. I had no idea there were so many sports! The cuts yielded a major increase in efficiency – but only after we had beaten 150 legal challenges in court.

27) In many cases, people think that someone else should pay for government services. In fact, some people seem to expect money to descend like manna from heaven. They see government as some outside force, not as something that belongs to them. The Kennedy School study of trust in government cites a joke doing the rounds in Washington, in which John Q. Public says, ‘We’ve got to fix the deficit. But the taxpayers shouldn’t have to pay. The government should have to pay.’ In fact the phrase ‘the government has to pay’ yields more than 9 million Google hits – a disturbing sign of how widespread this sentiment is.

28) We recently asked the OECD to compare the relationship between government size and performance in the Netherlands with eight other countries. Even though demographic and structural differences make comparisons difficult, ultimately every government faces the same challenge: developing effective policies, protecting its citizens and providing reliable, high-quality services. The study’s aim was not to rank the countries for efficiency or size, but to share experiences and exchange best practices. The results were interesting. The size of government in the Netherlands, for example, turns out not to be so great overall, but our central government is relatively large. One reason is that our policies tend to be fairly labour-intensive. This often results from trying to meet certain quality standards, but it’s not sensible in an increasingly tight labour market. The public sector in particular needs to formulate policies that are effective without being labour-intensive.

29) Feasibility is often a neglected aspect of policymaking. People want policies to be grand and inspiring and to take effect quickly, but they don't realise that hasty implementation is often counterproductive and can have a disastrous effect on public trust in government. We've had a couple of unpleasant examples in the Netherlands, for example in policy on housing and healthcare benefits. In 2007 our Court of Audit investigated the causes of this programme's faulty implementation, and concluded that the main reasons were the underestimation of the complexity of the project, the agency's working methods, and also the intense political pressure to introduce the system quickly.

30) Now let's consider the structure of government. I've already described the freakish, unpredictable and interdisciplinary nature of the future challenges that government will face. The way it is organised today is at odds with these challenges. Today's government took shape in the 1970s with the introduction of the current welfare state, and has stayed largely the same ever since. We now have only a few thousand more civil servants than the 110,000 we had then, and after our current slimdown we'll have a few thousand fewer. And we still have the same 13 ministries – like most other OECD countries, by the way – the Prime Minister's Office, Finance, Defence, Foreign Affairs, Health, Education, Environment and so on. All our countries still even have a Ministry of Agriculture, despite ongoing discussions everywhere about the *raison d'être* of such a ministry.

31) This all worked quite well for a long time. In those days compartmentalisation was not a negative term but an organisational principle. Social problems were neatly sorted into the pigeonholes of an orderly, hierarchical administrative structure. Each minister headed a ministry that bore sole responsibility for its remit. Cooperation with other ministries was hardly ever necessary.

32) Now the situation has changed completely. If we want to effectively tackle serious problems like climate change, the economy, big cities or demographic ageing, cooperation among many private and public players is vital. For the Netherlands, the European Union is another factor to consider. On the one hand the EU plays an increasingly important role in such areas as food safety, mergers, the environment and higher education. On the other hand it is still organisationally underdeveloped and lacks democratic legitimacy. And it is therefore deeply distrusted by ordinary Europeans, as the decision-making on the European constitution and the Treaty of Lisbon have shown. We work hard to improve this but still have a long way to go.

33) Today's volatile, slippery, interdisciplinary problems do not fit easily into classical organisational forms. Yet government will only function effectively if it can find ways to solve them using the traditional, inflexible structures that our political and constitutional orders provide. In the Netherlands we are now experimenting with new ways of doing this. For example, we are

appointing programme-based ministers and officials whose work cuts across the divides of the traditional portfolios.

34) This brings me to the governmental players: the politicians and the civil servants.

35) First the politicians. I've already made some observations about the behaviour that characterises them. They practise a trade in which upheaval is commonplace. So their main challenge is to retain sufficient authority to push through drastic measures. But authority is usually built up in periods of peace and quiet, by taking a certain distance. These are precisely the most difficult things to achieve in politics today. Thanks partly to the influence of the media, the practice of politics is increasingly geared towards administering and responding to short, sharp shocks. With the result that the political agenda is largely driven by incidents. The Belgian researcher Mark Elchardus calls this kind of politics 'the drama democracy'. The BBC has a programme on Sundays with the revealing title *The Politics Show*. Former *Financial Times* editor John Lloyd has written a fine book about this called *What the Media are Doing to Our Politics*. Not a lot of good, is his conclusion.

36) All this undermines the relationship between politics and the civil service. Politicians often complain that civil servants don't understand politics and respond too slowly, if at all, to their demands. Many politicians base their view of the civil service on *Yes, Minister*, which they imagine is a documentary, not a comedy series. As a result, they increasingly rely on their own

advisers in making policy decisions. In the United Kingdom we are seeing the rise of the 'special advisers', who are neither civil servants nor politicians but a kind of special official unconstrained by traditions or standards. This has fed frustration at the ministries. Sir Michael Bichard, former Permanent Secretary at the British Department for Education and Employment, hinted at this in the mission statement he drafted for his ministry: the civil service should remain the minister's most important adviser, he wrote. Apparently that could no longer be taken for granted.

37) The civil service has begun, in a way, to become more politicised. Not in the sense of political appointments, but there is a clear expectation that civil servants, especially senior civil servants, should set the right political tone. To paraphrase Patrick Weller, they want their senior civil servants to offer the promise of good service to their minister. And directly or indirectly, civil servants are now under pressure to think politically and ensure that their minister can score political points. Dissent by civil servants is not forbidden, but it's not particularly encouraged either. As a result, they are more and more inclined to sit back and wait and see. I see this happening in the Netherlands, but it's also compellingly described by Patrick Weller in his book *Australia's Mandarins*. I especially like the question mark he puts after his subtitle: *The Frank and the Fearless?* If this book were translated into Dutch, it would be a perfect account of our own situation.

38) And so we come to the civil servants. People speak negatively about us. On the other hand, we often like having a dig ourselves. Our disdain for politicians is well known. So is our lack of patience with the public, with their impossible demands and ignorance of how things work. Cynicism is a common civil service trait. Sir Humphrey Appleby of *Yes, Minister* fame may be a caricature, but it's an exceptionally good one.

39) There is also sometimes good reason for concern about the calibre of civil servants. Not that they are less qualified than they used to be. On the contrary, looking back at my forty years' experience in central government, I think that the level has risen enormously in that time. But the problems have grown, too, as have the calibre and diversity of people outside government. Civil servants sometimes have trouble keeping up with society. They sometimes tend to look with surprise and even indignation at the rapid changes taking place around them.

40) Once government had a monopoly on expertise. Today it can be found everywhere, at very short notice. This takes its toll on the authority of the civil service. Nor is the structure of the civil service particularly good at stimulating productivity. Our work is often hard to quantify, which can be a welcome excuse for not making productivity gains. So it's understandable that politicians sometimes lose patience and decide to tackle problems alone. Former British cabinet minister David Blunkett, who will be giving a keynote presentation here tomorrow, gives a fascinating, lively and recognisable picture of the situation in his book *The Blunkett Tapes*. At one point he describes the civil

service as “completely cocooned, isolated and protected from the real world”.

41) Looking back at the four topics I’ve touched on – policy, structure, politicians and civil servants – I see numerous problems and tensions that make it extremely difficult to achieve a properly functioning government – let alone to win the full confidence of the public. Yet it has to be done.

42) What can countries learn from one another in this regard? That was the question posed by the OECD study I mentioned earlier. The study is now continuing, and I’m very glad that Australia is joining it.

43) I recently read that Prime Minister Rudd, in a speech in September at the annual conference of the Australia New Zealand School of Government, pledged to give Australia ‘the best public service anywhere in the world’. The Netherlands is glad to accept this challenge. I think that we can learn a great deal from each other, and we lose nothing by competing with other countries. I’m reminded of the Sydney Olympics: the best Games ever; I was lucky enough to be there. Shortly afterwards, I ran into my then Australian counterpart at the Health Department, your current President Andrew Podger. He was full of pride and boasted – with good reason – about all the gold medals Australia had won – the most medals per capita of any country in the world. Impressed though I was, I was able to point out that the Netherlands hadn’t done badly either: for we had won the most medals per square kilometre! In any event,

we soon agreed that Australia and the Netherlands were jointly the greatest teams ever!

44) It's all very well in sport, but I wouldn't want to see governments competing on this micro level. That's if the quality of governments can be compared at all. In the Netherlands we've launched an interesting project to explore what indicators might be used to define the concept of quality. To my knowledge this is the first attempt to gain an overall picture of the quality of government. First though, a methodology will have to be developed and the quality of available data improved.

45) I think it's also useful to have international examples from countries that play in the A-League. And as the issues become more and more international, the solutions will no doubt converge as well.

46) A striking thing about these top-tier countries is that, despite many differences, their governments have a great deal in common. There are close parallels in their views about the nature of government, the role of politics and the values of public administration. I see the same dilemmas arising everywhere, about the media, the relationship between civil servants and politicians and the like. The division into different ministries is often the same, as is their size. For instance, Australia with its 160,000 civil servants and the Netherlands with its 120,000 have almost exactly the same number of administrators in relation to our populations. But given that Australian states have far more autonomy and more

independent policies than Dutch provinces, the Dutch civil service may be somewhat smaller in proportion. But does that mean we're more efficient?

47) Looking at other countries can help us find solutions to problems we face in our own government. One of the criticisms often made in our country, in sharp contrast to the way politics focuses on the media today, is that politics is being reduced to administration. When faced with difficult political issues, the government tends to appoint committees, whose task is to report on them at length and if possible put forward acceptable compromises. These issues are often too hot for the politicians to handle, and they heave a sigh of relief when a clever plan emerges that doesn't raise political problems. We also have relatively few political players in the Netherlands: not many MPs, not many ministers. And our ministers have no political staff, special advisers or army of spin doctors around them.

48) By contrast, Dutch political debates cover a lot of ground: policy, right down to the smallest details, and even its implementation. The size of our political stage explains why we need so many civil servants to play the role of stagehands. When our ministers get into political difficulties or even have to resign, it's usually because of mistakes made in implementation.

49) Things are different in Sweden. There, policymaking is a fairly small domain and its civil service contains few policy officers. On the other hand, the country has a great many

politicians, not only relative to its population but also in absolute terms. Policy implementation has for many years been largely separate and autonomous. What's more, Sweden and Denmark in particular have found a solution to the compartmentalisation problem that plagues the Netherlands: their governments make political decisions collectively. In the Netherlands, by contrast, individual ministerial accountability is the guiding principle, and our Prime Minister only plays a limited coordinating role.

50) Our system has another weakness: our relatively limited focus on results. I'm often envious of countries like Canada and the UK, which have a tougher approach, with their Management Accountability Frameworks, their capability reviews and their stress on service delivery. But I also see the danger that these internal management systems will give rise to bureaucratic monstrosities. Also, while these instruments were mainly introduced as internal management tools, they have generally become tools for external accountability, leading to all sorts of strategic and PR-driven manoeuvres.

51) Fortunately there are also areas where I think the Netherlands excels. We're good at processes and consultations. We have an aversion to political or official tsars, who spend billions setting up enormous systems or carrying out mega-projects. The Dutch way takes more time – sometimes too much time – but the final result can count on public support. In recent years we've made far-reaching changes to major systems, with public housing, incapacity for work and health care being notable examples. The 'polder model', that's what

we call this consensus-based approach. It's been widely criticised, and it can be agonisingly slow. But it's who we are and we owe a lot to it.

52) I think that by innovating and by learning from others, we can succeed in creating a government for the future. I'm not so interested in what exactly it looks like, as long as it works. I believe that a strong, independent civil service will be an essential part of it. We can achieve this only if we manage to attract the best people and keep them. They need to be not only leading experts in their fields but also flexible and able to operate in networks, in a subtle but intensive dialogue with society and politics; proud professionals able to tackle the many challenges of the future.

53) Civil servants who not only dare to take risks but are also competent enough to do that with success. Who are happy to be judged by their results. That's the kind of people we are looking for and they are not easy to find if you want the best and the brightest. Especially because they know they have to get their job satisfaction from the challenges rather than the salary. We will have to develop new labour relations in government to attract people like this, with incentives that impel them to achieve great things. Despite all the jokes out there about civil servants, which I'm sure will still be told in the future, I'm optimistic. I believe we can both build and preserve this strong civil service.

54) I would like to close with a quotation from Thomas L. Friedman's *The Lexus and the Olive Tree*: 'One of the most important and enduring competitive advantages that a country can have today is a lean, efficient, honest civil service.' I wish both the Netherlands and Australia every success in attaining it.

Thank you.