

# MANAGING GOVERNMENT ETHICS

*Few, if any, OECD countries have escaped headlines pointing to Government scandals, exposing anything from inappropriate behaviour on the part of both politicians and civil servants to full-scale corruption. Politicians can be dealt with at the polls, if not through the judicial system. But what can be done to ensure integrity in the public service?*

*"The integrity of politicians and public servants is a critical ingredient in democratic society."*

*Alice Rivlin  
Vice Chair, Board of Governors,  
Federal Reserve System, United States  
Chair of the OECD/PUMA Ministerial Symposium  
on the Future of Public Services*

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## Are standards falling?

Non-elected public servants exercise significant discretionary power in their everyday work: in their stewardship of public resources, at the interface with citizens, and in the context of policy making. Ethical standards are a key check and balance against arbitrary use of that public power. As such they are a key factor in the quality of governance.

Without some “ethics barometer” it is difficult, if not impossible, to measure changes in levels of corruption or misconduct in the public service. More scandals may mean that accountability and watchdog systems are functioning well; misconduct that was previously overlooked or hidden in bureaucratic secrecy is now publicly exposed. Government employees have contact with the same range of incentives for personal gain as people in other walks of life. There will always be some “bad eggs” in the public service as there are anywhere else in society. But perhaps more worrying than “bad people” are “bad systems”.

### ***Are systems for encouraging good conduct failing to do the job?***

Countries, while recognising public concerns about falling standards, indicate confidence that, in general, standards of conduct are still high.

### ***Countries do, however, express disquiet about a seeming mismatch between traditional values and the systems governing the behaviour of public servants, and the modern roles they are expected to fulfil.***

*...the great majority of people in public life meet those standards. But there are weaknesses in the procedures for maintaining and enforcing those standards. As a result, people in public life are not always as clear as they should be about where the boundaries of acceptable conduct lie.*

*United Kingdom country report*

## There are ethical tensions

Public servants operate in a changing world, particularly where management techniques (risk management, managerial autonomy, a focus on results rather than rules) have been imported from the private sector. Public servants are subject to greater public scrutiny and increased demands from citizens. As a result they are having to provide better and more responsive services but within a context of stricter limits on resources.

Officials are also having to assume new functions and responsibilities as a result of devolution and greater managerial discretion; increased commercialisation of the public sector; a changing public/private sector interface (including the revolving door in employment); and changing accountability arrangements. In short, they are having to adopt new ways of carrying out the business of government.

***While public management reforms have realised important returns in terms of efficiency and effectiveness, some of the adjustments may have had unintended impacts on ethics and standards of conduct.***

Causes of conflict include:

- limited resources;
- downsizing;
- restructuring;
- contracting out government activities;
- a devolved and discretionary management environment;
- increased recruitment from the private sector, including into management positions;
- changing relationships between public servants and citizens;
- globalisation and contact with other ethical and cultural norms;
- changing societal norms.

*...changes in the legal and political forms of association (e.g. the transfer of authority from ministries and directorates to public enterprises and state foundations/ state-owned limited companies) result in a certain freeing of public employees from many of the rules, civil service norms and established practices that have characterised public administration up to the present day.*

*Norwegian country report*

*The increasing complexity and individualisation of society have generated social structures that are less easy to grasp and led to widely divergent standards and values. The blurring of standards in society does not stop at the door of the public servant.*

*Netherlands country report*

## There is need to consider an “ethics infrastructure”

How do countries ensure that standards are maintained in the public service, especially in times of change? In practice, governments employ a range of tools and processes to regulate against undesirable behaviour and to provide incentives to good conduct.

***PUMA has defined the concept of an “ethics infrastructure” to explain how these tools work and interact.***

It has eight key elements:

- political commitment (politicians should say ethics are important, set an example, and support good conduct with adequate resources);
- an effective legal framework (laws and regulations which set standards of behaviour and enforce them);
- efficient accountability mechanisms (administrative procedures, audits, agency performance evaluations, consultation and oversight mechanisms);
- workable codes of conduct (statement of values, roles, responsibilities, obligations, restrictions);
- professional socialisation mechanisms (education and training);
- supportive public service conditions (fair and equitable treatment, appropriate pay and security);
- an ethics co-ordinating body;
- an active civic society (including a probing media) to act as watchdog over government activities.

Countries emphasise different elements of this infrastructure depending on whether they manage conduct primarily through guidance and management incentives or through controls and sanctions. Although if a country has been plagued with corruption or scandals then it will probably want to emphasise punishment rather than prevention at least in the short-term.

The relative synergy between the different components of the ethics infrastructure will depend on a country’s cultural and political traditions, its overall approaches to public management, and its historical record in promoting ethical behaviour.

***Like any other set of management tools, the effectiveness of the ethics infrastructure depends on whether it is implemented, understood and applied consistently.***

## Linking ethics to public management

The potential tensions between traditional notions of public administration (doing things by the book) and new forms of public management (seeking results through innovation and risk management) are starting to emerge. It is perhaps in the area of ethics that these tensions are most evident. If there is too much control, nothing will get done; but if there is too little control the wrong things will get done. Citizens are no more likely to forgive inefficiency and wastage as they are corruption. Where should the balance lie? (See chart at the back.)

Countries will draw their own conclusions based on their political and administrative traditions. But they must be aware of the inherent trade-offs, including between the administrative costs of trying to catch every misdeed, minor misdemeanour or actual corruption versus the political costs of allowing some mistakes to occur. New risk management strategies based on these costs and benefits are required.

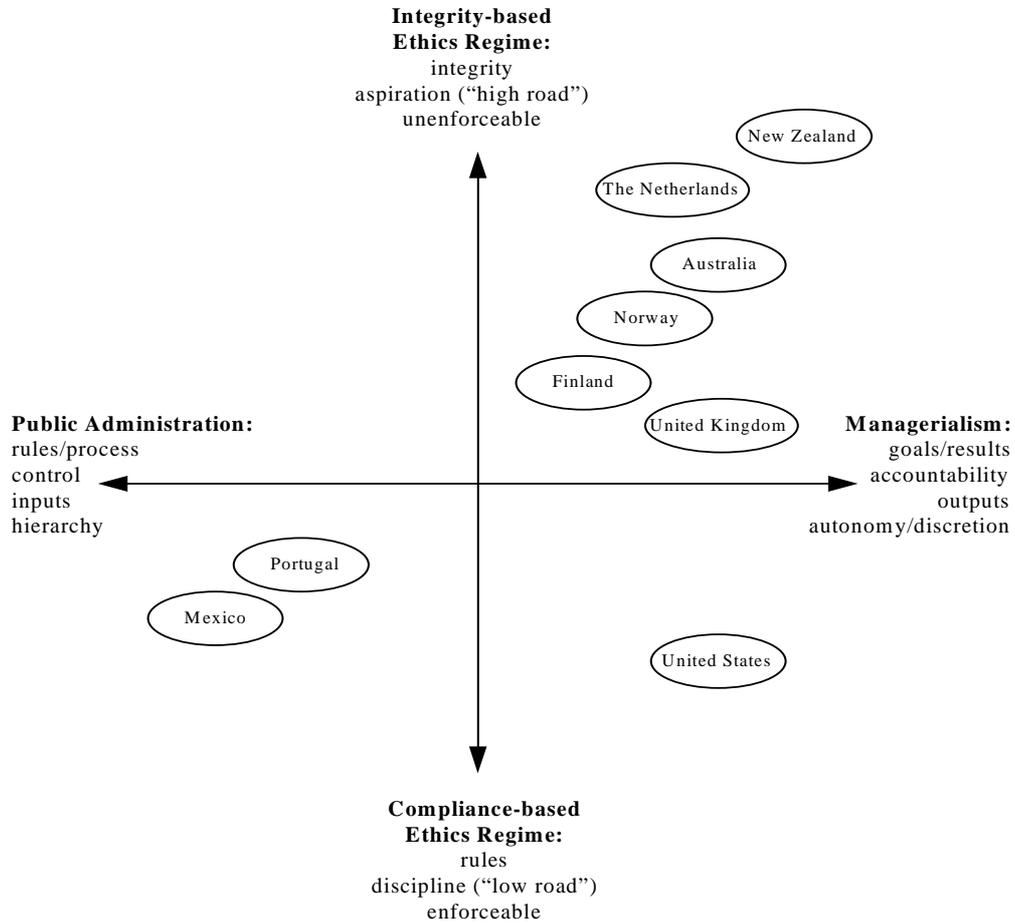
***A country's ethics management regime should be consistent with its approach to public management in general.***

It would be inconsistent to marry a strict centralised compliance-based ethics infrastructure with devolved results-based management systems. Recent trends in ethics management -- reducing detailed rules in favour of broad guidance (defining values, and disseminating codes of conduct) and greater transparency (whistle-blowing and requiring public servants to disclose their financial and other interests to uncover any potential conflicts) -- suggest that countries realise this need for consistency.

Proper conduct has always been a prerequisite to good governance. In spite of, or perhaps because of, the changes occurring in the public sector in OECD countries, good and ethical conduct is even more imperative. The success of public management reforms, and indeed overall confidence in government, will depend on it. This requires that an effective ethics infrastructure be firmly in place.

***Ethics should cease to be seen as a separate and distinct activity, and more as an integral part of all management systems.***

**CHART: COUNTRIES BY OVERALL MANAGEMENT AND ETHICS REGIME**



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**NOTE DE  
SYNTHÈSE**

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