

**SPEECH BY
YAB DATO' SERI ABDULLAH BIN HAJI AHMAD BADAWI
AT THE 5TH NATIONAL CIVIL SERVICE CONFERENCE
AT INTAN, BUKIT KIARA
22 JUNE 2000**

Terlebih dahulu saya ingin mengucapkan terima kasih kepada Tan Sri Samsudin Osman, selaku presiden persatuan perkhidmatan tadbir dan diplomatik (PPTD) yang telah sudi menjemput saya untuk merasmikan persidangan perdana pada pagi ini. Tahniah saya ucapkan kepada PPTD dan INTAN kerana telah berjaya menganjurkan siri persidangan seumpama ini bagi kali kelima, iaitu "Persidangan Perkhidmatan Awam 2000".

Ladies and gentlemen,

The theme of the national civil service conference this year - good governance: issues and challenges - is particularly appropriate. The world is witnessing great transitions - economically, politically and socially. Globalisation, the rise of so-called liberal democracy and the digital revolution are permanently changing the interaction between nations and the power structure within countries.

Malaysia is no exception. We find ourselves being pulled in many directions, with pressure being exerted both internally and externally. Our economy is increasingly opening up; we face new political aspirations of a younger generation; and we are flooded with an infinite amount of information gushing through the internet and satellite communications. The challenge for governance in Malaysia is to manage this global age of transition. The focus for leadership and administration will be how to direct these forces of change for the benefit of our people. We must not be subservient to change. Instead we must guide it to suit our needs.

Ladies and gentlemen,

I do not believe that there can be any ambiguity when we speak of good governance. Good governance was most accurately defined at the 1999 world conference on governance in manila as "a system that is transparent, accountable, just, fair, democratic, participatory and responsive to people's needs". It is an ideal that all states strive for - and it is certainly a vision of governance that Malaysia continues to endeavour to realize.

While the term good governance may be unambiguous, its application, and the prioritisation, contextualisation, and interpretation of its characteristics has allowed for confusion and unfair comparisons. The popular usage of the term good governance in the international media, among the so-called global intellectuals and within the corridors of powerful multilateral institutions, has become synonymous with political systems that govern western, developed nations. According to this view, good governance can only be discharged by the liberal democracy of the west.

This belies the fact that while the characteristics of good governance are universally acceptable, their application to different societies must, naturally, go along different lines and be contextualised according to local circumstances. There may, for example, be countries in which the terms "just and fair" mean providing each and

every citizen completely equal rights with no privileges for a certain ethnic or religious group. And, on the other hand, there may be countries in which the terms "just and fair" mean leveling historical socioeconomic imbalances between various ethnic groups. So while different countries can agree on cherishing what is just and what is fair, they may differ on what it is that is just and fair.

It has not been my intention to be abstruse and bogged down with definitions. But I believe it is worth reiterating that Malaysia must aim for a system of good governance that enriches and protects our society. We must develop a political and administrative system that preserves our social contract.

Ladies and gentlemen,

Malaysia has just recently recovered from our deepest economic recession. The regional financial crisis that hit the Asia-Pacific economies was something unexpected and something that we were ill-prepared for. With hindsight, I dare say that the crisis was an important lesson in good governance in this era of global transition.

We have learnt from the crisis that good governance is not merely applicable within countries but also on a global scale. Without good global governance, good governance at the state level will be adversely affected. In the case of the financial crisis, the economies of east Asia were destroyed by an anarchical international financial system that allowed unfettered capital to flow in and out of countries instantaneously, and in which the amount of currency trading, much of it speculative in nature, surpassed that of trade in goods.

In the absence of good global governance, the international political economy had become a global casino where bets were placed for high stakes. Even the initial reaction to the crisis raised doubts about the role of certain international financial institutions in providing good global governance. We saw how the IMF responded to the Asian crisis in much the same way as it responded to the economic crisis in Latin America. We saw how its austerity measures strangled our neighbours. We saw how IMF rescue funds were used by crisis-stricken countries to pay off creditor international banks, thus bailing these banks out without holding them accountable for risky lending practices. Were these examples of good global governance by what is supposed to be an eminent Breton Woods Institution founded to handle currency and financial crises? The answer is, surely, no.

Today, in the wake of the Asian crisis it has become fashionable to talk of reforming the international financial architecture. In fact, the crisis has presented the world with a gilt-edged opportunity to put in place good global governance through structural reforms that can bring about greater transparency and accountability. A great concern for Malaysia is that these changes will not take place. The Asian crisis will continue to be seen as Asia being punished for supposedly bad governance.

If good governance is to be a meaningful ideal, it must also be applied and practiced among nations. Globalisation makes it imperative that good global governance is practiced. We have seen that far from the prosperity, affluence and development that globalisation promises, wealth and income gaps among and within countries are growing. The growing digital divide threatens great social disruption in the future. As long as global governance remains subservient to market forces and the liberal dogma, the aspirations of the marginalised majority will continue to be ignored.

Ladies and gentlemen,

Malaysia has striven for good governance ever since independence. In this regard the government has had to be flexible and responsive so that our policies continuously reflect the needs and aspirations of all Malaysians. We have adapted where necessary, and reformed where beneficial. We have seen the implementation of seven five year plans, the new economic policy, the national development policy, two outline perspective plans and various sectoral masterplans. Today we look to the future with our vision 2020 and knowledge economy masterplan.

Delivering good governance in Malaysia has not been easy. Public policy and political decision-making has always had to be sensitive to preserving peace and stability in our multiracial society. The social contract that is embodied in economic affirmative action and political power-sharing is the paramount guiding principle in governing Malaysia. In this regard, it has been vital that governance is underpinned by consultation and dialogue between the government and non-state groups such as the private sector and community organizations.

For example, the concept of Malaysia incorporated has created a dynamic synergy between the government and the corporate sector, each working together to bring about rapid development through industrialisation and the modernisation of the Malaysian economy. The formation of the National Economic Action Council (NEAC) - which draws on the expertise and talents of outstanding individuals from the government, the private sector and academia - in response to the recent financial crisis, illustrated collaborative decision-making to respond to immediate challenges. Similarly, civil society has constantly been engaged to gauge the suitability of policies to the Malaysian public. The new challenges of globalisation has required the reconvening of the National Economic Consultative Council (NECC) to discuss and deliberate its implications to Malaysia. The drafting of the K- Economy Masterplan has involved youths from all over the country. In each and every one of these instances - from deliberating the NEP in the 1970s, to Malaysia Inc in the 1980s, to economic recovery in the 1990s, and the K-Economy in the 20th century - the government views the participation of non-state actors as essential, and as the participation of equals in the process of nation building.

It is this broad-based participation in decision-making that has ensured continued good governance in Malaysia. Without the opportunity for state and non-state sectors to articulate their interests and views, and mediate their differences, public policy would cease to be dynamic and responsive. Participatory decision-making underpins good governance. Without a wide consultative framework, a government is not compelled to be transparent and accountable, just and fair. A system of good governance produces good governments. And in turn, good governments perpetuate a system of good governance.

Ladies and gentlemen,

Much of the success of good governance in Malaysia must be credited to the men and women of our civil service that have continued to discharge their duties professionally, independently, and without fear or favour. I have earlier mentioned participatory decision-making between state and non-state actors. Within the state, there is also the synergy and partnership between elected politicians and the civil service. Needless to say, without one the other cannot function. This symbiotic relationship has often been characterised as one between policy maker and policy

implementor. I believe that under a system of good governance, there should not be such hard and fast dividing lines.

While our mandates may be derived differently, both the politician and the government officer are public servants. While one may be a law maker and the other an administrator, both are concerned with delivering the best service to the public. While one has authority to make policy and the other the authority to implement, this does not preclude either from participating beyond their formal roles.

Civil servants have traditionally played a major role in helping to formulate policy. While the aspirations of the public may be captured by a politician, the civil servant will have to assist in translating these aspirations into workable policy. By the same token, the politician may want to ensure that the implementation of policy is in line with the expectations of the public.

The synergy between elected policy makers and the civil service in delivering a system of good governance has been tested severely in times of crisis. I want to point to three major turbulent episodes that Malaysia has confronted in the past as an illustration of the contribution the civil service has made to good governance. The civil service's role during the communist insurgency, the may 13th riots of 1969 and the recent financial crisis all serve as excellent examples of the service playing a constructive and proactive role in pulling the country back from the brink of disaster and devastation. In each of these cases the civil service was able to discharge its duties in the national interest, and in a nonpartisan and objective manner. Had it not been for the professionalism of the civil service, we may have not been able to survive these crises. Without professionalism, reasoned objectivity and commitment towards the government of the day, the civil service cannot play a constructive and beneficial role in governance, and will thus jeopardise good governance in Malaysia.

Ladies and gentlemen,

The continued success of the Malaysian civil service in this global age of transition will depend on how quickly it modernises to serve the public interest more efficiently and effectively. As citizens of a rapidly developing country, Malaysians are beginning to demand quality service in the shortest possible time. In responding to this, the civil service will have to shed its image as a huge, lumbering bureaucracy and become leaner, more productive and willing to serve above and beyond the call of duty.

In addition to the characteristics of good governance that I mentioned earlier, I believe that one must add the efficient delivery of public services and the effective implementation of public policy as equally important prerequisites for good governance. In this regard, it is important that efforts to modernise the civil service through various initiatives are carried through. One such initiative that I would like to draw your attention to is the electronic government flagship application under the multimedia super corridor.

The government believes that electronic government offers an excellent platform for promoting good governance. It is hoped that through electronic networking and communications, policymaking and implementation can become even more broad-based, transparent and efficient. The transformation of government through the electronic government initiative is vital for continued good governance in Malaysia. The present organisational structures, work processes and managerial practices were

developed for a civil service organisation of a fast fading era and are certainly not suitable for a dynamic, modern civil service organisation of the future.

In addition to modernisation through information technology, the civil service vis-à-vis good governance will have to ensure that it upholds its integrity, and remains transparent and accountable. The government will not tolerate graft and corruption among public servants and views this, not only in terms of violating public trust, but as a misallocation of government resources in terms of funds and manpower. Reinventing government does not end with creating a paperless administration. Reinventing government must be a holistic effort that strengthens civic values that are necessary for good governance. Corruption, bribe taking and reciprocating solicited favours have no place in an upright and professional civil service force, and corrupt civil servants have no place in a system of good governance.

In addition to these concerns, the Malaysian civil service will have to grapple with the perennial issue of how to continue to attract talented people into the service. Thus, the on-going modernisation of government may have to be complemented with restructuring efforts directed at recruitment and human resource development. Whereas public service in itself was a motivating factor for young people to join the civil service in my generation, now we find many of our best and brightest chasing the higher salaries and accelerated promotion that the private sector promises.

This development poses a major obstacle to sustaining good governance for Malaysia as we transform into a knowledge economy and face the challenges of globalisation. Much as our firms will have to compete with companies from abroad, the administration and formulation of public policy will have to contend with rapidly changing trends in the global political economy. Furthermore, a knowledge economy will necessitate the reduction of wastage and inefficiency, and will make it imperative that economic resources are allocated efficiently. Without our brightest minds conceptualising, adapting and driving public policy in light of these considerations, good governance will remain an elusive ideal. It is with this in mind that the reinventing of government must also assess current incentive structures to determine if it, too, is only suitable for a fast fading era.

Ladies and gentlemen,

I have outlined some of my thoughts on the issue of good governance, particularly as it applies in the Malaysian context. I hope this conference, with an eminent list of expert participants from the civil service, private sector and civil society, will identify appropriate strategies and action plans that can enhance good governance in Malaysia. The Malaysian government hopes to benefit from your deliberations.

Tuan-tuan dan puan-puan, Akhir kata saya berharap tuan-tuan dan puan-puan akan memberi perhatian dan seterusnya membuat cadangan- cadangan yang bernas terhadap perkara-perkara yang telah saya bangkitkan dalam ucapan saya.

Dengan lafaz bismillahir-rahmanir-rahim, saya dengan sukacitanya merasmikan persidangan perkhidmatan awan bagi tahun 2000. Terima kasih, thank you.