16 April 2019

Economic and Social Council
Committee of Experts on Public Administration
Eighteenth session, 8-12 April 2019

Governance and public administration aspects of empowering people and ensuring inclusiveness and equality

Contribution by the Committee of Experts on Public Administration to the 2019 thematic review of the high-level political forum on sustainable development

Summary

Public institutions are not ready to curb the trend of disempowerment

Although there are promising initiatives to empowering people, current trends point rather at disempowerment. In many countries, inequality is increasing. Regulatory agencies are sometimes dominated by the interests they regulate, rather than the public's interest, while corporate taxation may result in uneven division of burden. Social security is declining, externalities of globalization are inadequately regulated, and large and intensive conflicts persist.

At least half of the world's poor may be living in fragile and conflict-affected settings by 2030. Peace and positive peacebuilding will thus have to be on top of policy agendas, in order to tackle corruption, lack of access to justice, and ineffective delivery of public services. If conflict and fragility are not addressed through new and elaborate interdimensional political-administrative models, they are likely to spill over, jeopardizing institutional and policy initiatives for leaving no one behind.

At the same time, many public sector organizations lack resources, skills and a sense of direction. Often, they have little awareness of the SDGs and the aim to achieve them by 2030. Silo-thinking is hampering the holistic implementation of the SDGs, including the cross-cutting challenge of empowering people to build equal and inclusive societies. Even where adequate regulation and plans are in place, their implementation may lag behind or be missing.

From blueprint thinking to contextualized pathways to empowerment

Although promoting rule of law, including non-discriminatory laws and equal access to justice should be at the centre of attention in policy-making and institution-building, there is no general blueprint for reforming the public sector towards empowering people and promoting inclusive societies. Each country must follow its own path, building on its own governance structures, political, economic and social realities, local strengths and unique needs. Reforms that consider meta-governance, i.e., governance of different governance styles, are important as they are more likely to be contextual. Peer-to-peer learning may be useful to support learning from success or failure.

To overcome silo-thinking, combining multiple ways of curbing inequalities and poverty is a must. Public policies to tackle economic and social inequalities should go in tandem with environmentally friendly solutions to redress imbalances. In addition, a new momentum must be built between the objectives of development and sustainability, particularly to stave off economic vulnerability, environmental degradation and social exclusion. Furthermore, there is a need to enhance communication and awareness-raising of the SDGs for citizens and for national and subnational governments.

Towards adequate governance and public administration to curb disempowerment

Ensuring that no one is left behind requires governments to know who is being left behind, how they are being left behind and where this is occurring. Institutions, plans and concrete actions to stimulate empowerment, inclusiveness and equality, should be informed by the 11 principles of effective governance for sustainable development, endorsed by the Economic and Social Council on 2 July 2018 (see E/2018/44, para. 31). Inclusiveness relates directly to five of these principles: participation, subsidiarity, accountability, intergenerational equity, and leave no one behind.

Only when trained and empowered to collaborate with other stakeholders can public sector workforce promote equality and inclusion. Public sector leaders should be cognizant of the potential of an empowered public sector workforce. Inclusive quality education should receive explicit and specific attention with a focus on newly emerging skillsets for the public sector workforce such as critical, design, complexity and futures thinking and emotional intelligence. The SDGs should be made part of the curricula of national schools of public administration.

Ensuring the means of implementation

An inclusive economy and equitable fiscal policies can mitigate economic and social disparities and empower people. Governments should review their fiscal policies to ascertain whether the collection of taxes on basic goods and services negatively impacts the individuals and groups that are left behind. Accelerating progress will require mobilizing financial resources and finding innovative ways to obtain public and private financial support and investment oriented towards the implementation of the 2030 Agenda. Leaving no one behind perspectives should be at the core not just of public revenue but also of public spending decisions.

Empowering local government

Local governments understand the needs of communities the best. However, a due focus on local solutions and local capacity-building for sustainable development is still wanting. Promoting administrative and financial empowerment in tandem with building local government capacity can be helpful. Real- time, multi-level governance and subsidiarity can be instrumental in fostering inclusive local governance, promoting ownership and enhancing co-production and customization of policies and services.

Joining forces through collaboration and participation

Policies and programmes for implementing the SDGs should be designed, executed and monitored in participatory and transparent manners. A top-down approach to empowerment, whereby people's interests are predetermined or imposed on them, does not work. Bottom-up processes of participatory governance and engagement must become part of policy processes, ranging from

policy design to adoption, and from implementation and to monitoring and review. Such participatory governance should not only include state and society but also markets: addressing inequalities and leaving no one behind necessitates an inclusive economy.

People are ultimately their own agents of action. Attention should be paid to women's and girls' empowerment as well as youth, persons with disabilities and older persons, particularly against the backdrop of an ageing public sector workforce in some countries.

A. Linking people's empowerment with institutional aspects of the 2030 Agenda

1. Given that the 2019 theme of HLPF and ECOSOC is "Empowering people and ensuring inclusiveness and equality", CEPA deliberated on governance and public administration aspects of the theme, with focus on SDG 16 and its linkages with the rest of the 2030 Agenda for Sustainable Development. This document, which constitutes CEPA's input to the main theme of the HLPF, concentrates on the current trends of disempowerment at macro, meso and micro levels and across sectors. It proposes different ways in which governments can take concrete actions towards reversing the increasing inequalities and prevent regulatory capture by elites.

2. Currently, we witness at least five trends of disempowerment, which point at the breaching of the social contract: (i) increasing inequalities resulting, *inter alia*, from regulatory capture; (ii) matters related to corporate taxation and transfer payments; (iii) decline of social security; (iv) inadequate regulation of externalities of globalization; and (v) persistence, recurrence and exacerbation in magnitude and intensity of conflicts.

3. To reduce disempowerment and promote empowerment, bottom-up processes of participatory governance and engagement must become part of policy processes, ranging from policy design to adoption, and from implementation and to monitoring and review. Viewed from this perspective, empowerment is a complex and multi-dimensional construct. On the one hand, it is a process of increasing people's voice. On the other hand, it is about institutions that enable the people to exercise their rights.

4. Each country must follow its own path in empowering people, including at the local level, to build equal and inclusive societies aimed at promoting sustainable development. It should do so in the light of its own governance structures, political, economic and social realities, local strengths and unique needs. Even though there is no general blueprint for the necessary reforms, the full realization of the 2030 Agenda will benefit from a collective recognition of the importance of empowerment and an understanding of the basic principles of effective governance for sustainable development, endorsed by the Economic and Social Council on 2 July 2018 (see E/2018/44, para. 31). These principles are embedded within leave no one behind perspectives and are thus to be operationalized with attention to the SDGs under review by the HLPF. At the core of the principles are notions of inclusiveness and equality, which entail both people's empowerment and intergenerational equity.

B. Identification of progress, gaps, areas requiring urgent attention, risks and challenges in achieving inclusiveness

5. Leaving no one behind and reaching the most marginalized groups continues to be a significant challenge against empowerment. Inequalities can break societies apart impacting economic, social, environmental and other developmental dimensions, including human rights. Disempowerment, on all these grounds, can be seen in the economic and financial sectors where production and innovation cater to the interests of a few shareholders bypassing others like workers, communities, minorities, indigenous people, and especially women, among others. Institutional and regulatory capture, which thrive in the contexts of extreme consumerism and high levels of debt, can harm capacity-building and jeopardize empowerment. To effectively fight these inequalities, the root causes of poverty should be tackled, and the dynamics of structural inequalities must be studied.

6. At least half of the world's poor may be living in fragile and conflict-affected settings by 2030. Peace and positive peacebuilding will thus have to be on top of policy agendas. In such worsening contexts, it is worth looking at three central and recurrent issues that jeopardize empowerment and expose vulnerable populations to further social and economic constraints: corruption, lack of access to justice, and ineffective delivery of public services, social protection, safety nets and related measures. As political momentum is a core catalyst for peacebuilding and the establishment of peaceful and inclusive institutions, it will be crucial that the HLPF recognizes political consensus-building and judicial independence as preconditions of the principles of effective governance.

7. Three salient areas related to empowerment where potential progress can accelerate the effective implementation of the SDGs are the (i) national-subnational institutional dynamics and the adequate use of local resources to address them; (ii) inequalities and leaving no one behind perspectives addressed through real-time multi-level governance, participatory governance and an inclusive economy; and (iii) capacity-building including in the areas of leadership and education, with a focus on newly emerging skillsets for the public sector workforce such as critical, design, complexity and futures thinking and emotional intelligence.

8. Regarding the national-subnational institutional dynamics, CEPA recognizes that despite progress on the part of national governments in incorporating the SDGs into their national strategies and policies, a due focus on local solutions and local capacity-building for sustainable development is still wanting. Promoting administrative and financial empowerment in tandem with building local government capacity can be helpful in strengthening inclusion and ownership at the local level.

9. Real-time multi-level governance and subsidiarity can be instrumental in fostering inclusive local governance, promoting ownership and enhancing co-production and customization of policies and services. The traditional distribution of remits across different governance levels, for legitimate reasons, may result in slow transfer of innovative ideas, from national to local and from local to national level. Multi-stakeholder governance carried out in a genuinely collaborative and constructive spirit and in harmony with country-specific attributes, can be helpful in addressing these and related complex governance and developmental challenges. Working together on urgent challenges in real time could involve the use of digital platforms to receive and collect data on

policy and service delivery issues and to keep track of actions taken towards resolution of challenges with transparency and accountability.

10. Addressing inequalities and leaving no one behind requires participatory governance to include not just the state and society but also markets. It necessitates an inclusive economy. Several elements are important in this sense. Employment and decent work are a powerful dimension of empowerment. Public sector recruitment and human resource strategies play important catalytic roles in consensus-building, which might be overlooked given the focus tilted towards monetary policies. Partnerships with civil society, private sector and all other stakeholders are necessary. Data, in its production, collection and usage, is critical to understand and assess inequalities. Skill transfer in the public sector, including with a focus on South-South and triangular cooperation, is crucial.

11. Combining multiple ways of curbing inequalities and poverty is a must. Public policies to tackle economic and social inequalities go in tandem with environmentally friendly solutions to redress imbalances. For instance, green social policies can curb externalities in the environment and can also provide the revenues needed for social policies. Likewise, policies of income and wealth redistribution can support social inclusion and empowerment initiatives. There are mechanisms in the market through which governments can intervene to prevent or mitigate excessive concentration of wealth.

12. Leadership capacity building and human resource management in the public sector are important in addressing inequalities through empowerment. Only when trained and empowered to collaborate with other stakeholders, can public sector workforce promote equality and inclusion. Public sector leaders should be cognizant of the potential of an empowered public sector workforce. Improving working conditions for teachers in the public sector is essential. Innovative ways of improving teachers' engagement, particularly through non-monetary incentives, should be considered. SDG-related curricula should also be encouraged and developed.

13. Inclusive quality education should receive explicit and specific attention. Initiating fiscal-literate citizens and educating them on governance, public service delivery, public financial management, state budget procedures, access to information, and other related concepts and indicators will allow them to be capable of meaningful participation in processes such as pro-poor budgeting, participatory budgeting, policy coherence promotion, and the identification of the core socioeconomic gaps at the local level. Education can give people skills to evaluate and monitor the performance of public administration.

14. Building state capacity that is in line with the principle of leaving no one behind is often dissociated from the notions and practices of people's engagement, their complementary notwithstanding. Governments will falter in implementing genuine dialogue with the public, as well as in such initiatives as participatory budgeting, promotion of policy coherence and open government if citizens are not empowered to participate actively in capacity-building, policy- and decision-making.

C. Successes and lessons learned on empowering people and ensuring inclusiveness and equality

15. Ensuring that no one is left behind requires governments to know who is being left behind, how they are being left behind and where this is occurring. Leaving no one behind perspectives should be at the core not just of public revenue but also of public spending decisions. Policies of access to affordable and inclusive quality basic services such as health, education and justice for all are important. Equally significant are public policies that aim to achieve fairness and equity.

16. Targeted poverty reduction, social protection and welfare policies aim to enable people to act as drivers of their own change and self-empowerment. Comprehensive and cross-cutting measurements of poverty can be helpful.

17. An inclusive economy and equitable fiscal policies can mitigate economic and social disparities and empower people. Income is not the only or the best measure of development. Effective public revenue mechanisms and allocation of public resources with specific emphasis on the empowerment of women and vulnerable groups are key. Affirmative action could be instrumental in reinforcing the creation of an even playing field. Quotas in the composition of elected bodies, including at subnational levels of governance, can be powerful tools of empowerment. Gender budgeting can also influence empowerment positively. Fair and efficient taxation systems, including the combatting of tax evasion are also pivotal.

18. Examples of successful applications of social protection mechanisms and inclusive economy come from Kenya, Bangladesh and Slovakia where protection and growth were combined in effective manners, including through microfinance, affordable housing and employment projects for the homeless and the unemployed. Another example is the group of targeted poverty alleviation policies and programmes in China, including the case of empowering rural working women. An initiative to provide minimum income support to 120 million small farmers based on land holdings called PM KISAN Yojana was launched in India in February 2019.

D. Emerging issues likely to affect inclusiveness and equality at various levels of governance

19. Inclusiveness is complex and relates to five principles of effective governance: participation, subsidiarity, accountability, intergenerational equity, and leave no one behind. As part of SDG 16, inclusion, empowerment and partnerships relate to several specific SDG targets particularly under SDG 17 on partnership and SDG 10 on inequalities. Implementation and monitoring of policies of inclusion are also key. For instance, even though tax systems target efficiency, they may end up fostering inequality and exclusion. A recent study found, for instance, that some of the most regularly audited areas in the United States are those where poverty is prevalent.

20. Data, including big data, open data, real-time data and other types of data, their collection, presentation and analysis in relation to the development of national statistical systems are vital for the achievement of the 2030 Agenda for Sustainable Development. SDG indicators themselves are

important for policy development, including policies of empowerment. Big data and other related means should be used for policies and initiatives that set the right course of action and decisions. The same is true for the new technologies such as artificial intelligence and blockchain.

21. Subject to appropriate data protection safeguards and regulatory frameworks, tax records may include relevant data on socioeconomic development that can help stakeholders analyse progress and provide insights to policy-making. Streamlining of legal frameworks to facilitate and regulate the inter-agency transfer of records and information can be instrumental.

22. One issue that is expected to continue in the future with important consequences for inclusiveness and equality at various levels of governance is the recurrence and exacerbation of conflicts, with pernicious impact on poverty around the world. If conflict and fragility are not addressed through new and elaborate interdimensional political-administrative models, they are likely to spill-over, jeopardizing any institutional or policy initiative for leaving no one behind and the related adequate operationalization of the principles of effective governance.

E. Ensuring that no one is left behind through action at the global, regional and national levels

23. Accelerating progress will require mobilizing financial resources and finding innovative ways to obtain public and private financial support and investment oriented towards the implementation of the 2030 Agenda. Governments should review their fiscal policies to ascertain whether the collection of taxes on basic goods and services negatively impacts the individuals and groups that are left behind. They should assess the extent to which tax policy benefits or disadvantages those with different levels of economic resources.

24. An inclusive economy and equitable fiscal policy can mitigate economic and social disparities and empower people. It includes, inter alia, fair and efficient taxation systems, including the combatting of tax evasion in addition to effective public revenue mechanisms and such allocation of public resources with specific emphasis on the empowerment of vulnerable groups

F. Policy recommendations on ways to accelerate progress towards empowering people, ensuring inclusiveness and equality and achieving the Goals

25. From a people-centric perspective, empowerment can be made real by, inter alia, (i) ensuring non-discriminatory legislation and policy-making; (ii) providing equal access to quality public services; (iii) infusing transparency and accountability in public administration at all levels; and by (iv) balancing long-term needs and short-term urgencies in public policy to make sure that empowerment is a win-win for all. Communication and awareness-raising on the SDGs for the people and for national and subnational governments must be emphasized.

26. From an institutional perspective, reforms that consider meta-governance, i.e., governance of different governance styles, are important as they are more likely to be contextual. Promoting rule of law, including non-discriminatory laws, at all levels of administration coupled with equal access to justice should be at the centre of attention in policy-making and institution-building. There

should be adequate checks and balances to ensure that the rule of law serves all people, and that entrenchment of private interests and elite capture are addressed. Defining a new role for governments within the emerging concept of an "emancipatory state" which strives to lift the vulnerable and the oppressed is critical. Peer-to-peer learning may be useful in this regard. Incremental approaches can be useful in contexts where progress is likely to be slow. It might entail empowerment of civil society to work with parliaments as well as the building of SDG-aware and empowerment-attuned judicial capacity, which then can create the momentum for the revision and reinterpretation of existing laws in light of the principle of leaving no one behind.

27. Policies and programmes for implementing the SDGs should be designed, executed and monitored in participatory and transparent manners. A top-down approach to empowerment, whereby people's interests are predetermined or imposed on them, does not work. At the same time, national legislation and policies may be necessary to enable adequate local governance for the SDGs. To scale up bottom-up approaches, collaborative governance approaches can be instrumental. Real-time, multilevel and multi-stakeholder strategies with practical methodologies supported by smart, sustainable use of technology can turn abstract plans into actionable road maps.

28. Empowerment without resources and skills will lead to ineffective policy implementation. Therefore, capacity-building, especially at the local level should be accorded highest priority. Continuous training of public sector workforce specifically on the SDGs in schools of public administration, with the technical support by the specialized agencies, international organisations and associations of public administration, must be stressed. SDGs should be made part of the curricula of national schools of public administration. Improving working conditions for teachers in the public sector is vital, including through innovative ways and the use of non-monetary incentives Affordable and high-quality education, particularly of girls' higher education, is particularly important with implications for social, economic and political empowerment.

29. Securing the means of implementation of the SDGs is essential. Governments should review their fiscal policies to ascertain whether the collection of taxes on basic goods and services negatively impacts the individuals and groups that are left behind and to assess the extent to which tax policies advances or impede the interests of groups with different levels of economic and other kinds of resources. To do so, national governments could consider country-wide dialogue mechanisms and SDG-centric conditional grants that can increase flows to local areas and tie such transfers with clear socio-economic improvements and outcomes. They should also assess the performance of such and related transfers to local areas. Legal frameworks regulating the treatment of tax records should be streamlined so as not to conflict with existing laws regarding, *inter alia*, the confidentiality of government records and the privacy of taxpayers.

30. Local governments understand the needs of communities the best. Emphasis must be placed on empowering subnational and local institutions. Community-based solutions beyond participatory consultations should be preferred when appropriate. Outsourcing in the public sector should not be the main solution but should act as a support in building local capacities. Local governments should not become mere subcontractors and local institutions should be empowered. Decentralization can be a tool provided that it is implemented in a context-specific manner since the latter is not always associated with better governance. Fiscal decentralization can lead to effective governance,

provided that its implementation is calibrated to different levels of institutional readiness for decentralization.

31. A new momentum must be built between the objectives of development and sustainability particularly to stave off economic vulnerability, environmental degradation, social exclusion, and other issues related to inequalities. Empowerment for collaboration and not for polarization is key. Digital platforms or cloud government can be instrumental in these respects, although digital divide remains as a fundamental concern in many countries. In Latin-America, only about half of the population is connected to the Internet. The bottom-line of empowerment is access to services, including access to justice and essential services. Political dialogue geared towards bridging the gap between policy and institutional coherence and action and the political context is required. The HLPF is in a privileged position to reinforce political initiatives and initiate new ones to this end.

32. At individual levels of analysis, people are ultimately their own agents of action. Accountability, delegation and collegial management are appropriate words to define and understand empowerment. The increasing role of civil society should be further amplified. Attention should be paid to women's and girls' empowerment as well as youth, persons with disabilities and older persons particularly against the backdrop of an ageing public sector workforce in some countries. The public sector should set an example in terms of recruitment of women, equal remuneration, and appointment and promotion to leadership positions. Women's empowerment is particularly crucial to peacebuilding and post-conflict reconstruction of institutions.

33. At institutional levels, socio-economic and technological changes may systematically exacerbate inequalities and exclusion, including the crisis of migration. Trade and intellectual property rights are some issues that have not been understood well or deliberated sufficiently in analysing the cause and effects of empowerment and inclusion. Climate change, extreme events may also have undesirable effects, including the widening of inter-generational gaps. Deficits in policies and regulatory frameworks, including for technology, should be reviewed.

34. Structurally, silo-thinking is hampering the holistic implementation of the SDGs, including particularly the cross-cutting challenge of empowering people to build equal and inclusive societies. The SDGs are designed to be indivisible and require collaboration across sectors. Overcoming these silos requires, first and foremost, equal and accountable partnership arrangements between the public and private sectors and people. It demands the changing of mind-sets. In many cases, it also requires cultural change as well as institutional reform.

35. There is no general blueprint for reform of empowerment in the public sector. The road to inclusion and equality is highly contextualized. Each country must develop its own process of inclusive development using different diagnoses and solutions while sharing experiences. The need to move from advocacy to action, however, is ubiquitous. The great transformations that are needed to implement the SDGs by 2030 call for bold decisions that can be carried through only when those who are governed feel included and understood by those who govern.