The Political Economy of Governance Reforms in the Civil Service

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July 18, 2018
• Studies of reforms in the civil service tend to focus on formal legalistic aspects and less on the political, social and economic factors which influence success or failure of such reforms

• In contrast, exposés and reports of investigative journalists on abuse of political and economic power endlessly draw attention to defects of the political system and shenanigans of political personalities

• Civil service cannot be separated from the political, economic and social system which created it

• Simultaneous but opposing developments in the Philippine Civil Service focus on one while ignoring the other explains why reforms face never ending challenges.
What is the “because”?

• History of the CSC and Reforms
• Reorganizations: A Never-Ending Story
• Bureaucracy and democracy
• Reports on abuses of political power
Bureaucracy in the Philippines during the Spanish Period
Onofre D. Corpuz (1957)

• The classic study on the Philippine bureaucracy
• He contends that bureaucracy as a social institution was introduced during the Spanish regime, carried on briefly by the Philippine Republic of 1899, reestablished by the American colonial government, Filipinized during the Commonwealth period, and institutionalized during the period of the Philippine Republic.

• Weaknesses in the Bureaucracy
  • Vulnerability to nepotism exacerbated by the institution of godfathers, carried over from the Spanish period
  • Spoils system in the civil service
  • As an institution, it was not an independent power in Filipino politics
  • Highly vulnerable to attack by external parties who utilized the powers of the legislative and executive branches of the government to tamper with the merit principle of the service
  • Civil service in the Philippines did not have the independent power to resist encroachment upon its integrity

“... the paramount and ultimately fatal defect of the Spanish bureaucracy was that private interests and personal behavior of its members effectively subverted the declared principles of the colonial administration.”
(Corpuz, 1957:235)
A History of the Civil Service in the Philippines in the Time of the Americans
Jose N. Endriga (1985)

• “… the civil service system in the Philippines as we know it today is a creation of the American regime in the country.” (Endriga 1985:132)

• He recognized its historical antecedents, especially during the Spanish colonial period.

• Values introduced by the Americans were efficiency, economy and merit, in addition to political neutrality

• “Our juxtaposition of positive laws and actions on the one hand and negative bureaucratic behavior on the other hand is not only symbolic, but practically descriptive of the state of the civil service system. The situation reveals a basic conflict between the standards that we hold in theory and our ability to maintain them in practice. The standards of bureaucratic behavior that we have written into our laws are very high, and historically our norms have been getting stricter… our capacity to obey the laws and to punish the offender does not seem to have undergone any palpable improvement…” (Endriga 1985:152)
Significance of an institution as that of the Civil Service cannot be located within itself but how it relates to the repertoire or assemblage of other institutions at any given point in time.

Philippine Civil Service cannot be treated in isolation as an entity by, and of itself, but merely as an aspect of a larger political system which in turn had been conditioned by the cultural, economic, and social spheres.

Any link with a past institution should be with the revolutionary government.

“More than mere reformulation of structures- of abolitions and reintegrations of offices and vice versa- the solution to governmental problems cannot be isolated from the larger society which would have to provide the atmosphere and the proper ideological support for any reformist action” (Veneracion 1988:168)
The Dynamics of Executive-Bureaucracy Interaction during Governmental Transitions
Ledivina V. Cariño (1992)

• Explains why civil service reforms fail in spite of technical soundness and good intentions
• Focus on dynamics of executive-bureaucracy interaction
• The interplay of political economy forces with the civil service surfaces very clearly.
• Cariño classifies transitions into: Normal Succession, Authoritarian Succession, Redemocratization Succession
• Under Martial Law, President Marcos started with a massive reorganization process followed by the well-known purge characterized by summary dismissals from service.
• The redemocratization process under President Aquino exhibited the same pattern: the objective was to “de-Marcosify” the country
Travelling Through Time: Governance Reforms and the Civil Service
Spanish Regime

- The history of the Philippine Civil Service dates back during the Spanish regime. There was prevalence of the culture of nepotism which has been carried over through generations. More than that, the Philippine Civil Service has also been vulnerable to abuse of utilization by the executive and legislative branches that tampered on the merit principles of it.
The revolutionary government, on the other hand, used Apolinario Mabini's Decalogue to lay the basis for the civil service. The development of a professional administrative class started with the provision that personnel chosen through examination could not be removed with a change in political administration.
Malolos Constitution of 1899

- Title VII is on "The Executive Power." An interesting provision is Article 57 which provides for "the most liberal policy of decentralization and administrative autonomy."
American colonization

• During the American colonization, the values of efficiency, economy and merit were introduced. Although reforms have been introduced-- all initially eyeing the benefits of an efficient government-- it eventually leads to grave politicization. While there are present strict laws to keep the standards of civil service high, it fails to materialize with the lack of strict implementation. Furthermore, mass of studies on reorganization efforts report that many of the plans are not implemented at all because they were mangled and revised when it went through the political mill. In theory, civil service is treated as independent body, hence the politics-administration dichotomy, but this does not stand true as it will always be a part of a larger political system that is conditioned by cultural, economic and social spheres. The long history of reorganizations in the bureaucracy carries over with it the reallocation of power, authority and resources. With it comes politicization-- the fight over to whom these will be given and of who has the right over these.
• Article XI on the Civil Service reiterated existing legal provisions like appointment according to merit and fitness to be determined by competitive examination, the ban on partisan political activities, prohibition of double compensation, and so on. The guaranteeing by constitutional authority of an open competitive merit system.
1973 Constitution

• The provisions on the civil service were expanded from four to eight sections. Aside from reiteration of the original provisions in the 1935 Constitution, new features included provisions for the selection of the members of the Commission, the right to self organization of government employees, guaranteed protection for employees, prohibition against partisan political activity, standardization of compensation for government officials, prohibition of elective officials from appointment to a public office, a ban on double compensation and prohibition of losing candidates from accepting appointments in public office within a period of one year. It also includes Article XIII on Accountability of Public Officers which contains the immortal lines “Public office is a public trust”.
Marcos Administration

• Marcos initiated sweeping reforms of the Civil Service which he enshrined in the constitution itself. He created the Development Academy of the Philippines (DAP), which was tasked, among others, to develop training programs for different levels of career officials. PD 6 which allows summary dismissals, followed in the wake of the reorganization. Purges which took place in 1973 and 1975 saw the removal of thousands of personnel. The purges were so sweeping that both the living and the dead were regurgitated out of the bureaucracy. The purge lists also included those who had either resigned or retired. Still another Marcos innovation, which facilitated dismissals and was imitated with enthusiasm by his successors, is the requirement of courtesy resignations.
• A massive reorganization was set in motion. This was promulgated in Article III. The objective was to "promote economy, efficiency, and the eradication of graft and corruption." The reorganization was followed by a purge.
• A noteworthy addition is Section 3 of Article IX which explicitly provides for the establishment of a Career Service.

Sections 14, 18, 26, 27 and 28 of Article II, the Declaration of Principles and State Policies contains provisions which are related to the civil service. These are the principles on the role of women in nation-building; the protection of the rights of workers as well as promotion of welfare; equal access to opportunities for public services; prohibition of political dynasties; maintenance of honesty and integrity in the public service and positive and effective measures against graft and corruption; and a policy of full public disclosure of all transactions involving public interest.
Aquino Administration

- The Aquino reorganization was characterized by summary dismissals, deletion of positions in agencies, frequent changes of heads of agencies, and the creation of even more positions. The major justification for this wholesale purge of government officials is "de-Marcosification." Furthermore, the distinction between career and non-career officials was blurred. The Senate hearings on the Aquino purges gave birth to three laws. One repealed the provision for summary dismissals (RA6654 1988); the second affirmed "the security of tenure of civil service officers and employees in the implementation of reorganization" (RA6656 1988) and the third was the Early Retirement Law (RA 6683) which legislated benefits for persons "reorganized out" of government (Carifio 1992: 134).
The Code of Conduct and Ethical Standards for Public Officials and Employees (R.A. 6713)

• The law builds on an earlier republic act- RA 3019 or the Anti-Graft and Corrupt Practices Act. The Code sets out in great detail the duties of public officials and employees. Section seven includes a litany of prohibited acts and transactions. Section eight requires public officials and employees to submit two documents under oath: the Statement of Assets, Liabilities and Net Worth, and a Disclosure of Business Interests and Financial Connections. Section nine provides for divestment from shareholdings or interest in any private business enterprise. The amount of detail and precision in this Code is astounding. It is claimed that all possible loopholes on graft and corruption are plugged in this law.
Women in Development and Nation Building Act (RA 7192)

• Promotes the integration of women as full and equal partners of men in development and nation-building and for other purposes

• In the public service, it is true that there are more women than men; however, they are concentrated in the rank and file levels. As one climbs up the organizational ladder and reaches the executive positions, the number of women diminishes in relation to men.
Ramos Administration

• The culture of wholesale changes of top officials, including career executives, had been inseparably imbedded in the political culture. Courtesy resignations had become de rigueur and political appointments routine. Fortunately, investigative journalists have started exposing these political inroads into the civil service. In the process, they uncovered the unholy links between political power, economic plunder and the bureaucracy. NGOs, people's organizations, academics and other members of civil society have sustained their campaigns against abuse of political power.
The practice of placing political appointees in positions requiring professional qualifications was already well entrenched. As an example, Aquino appointed her dentist and dermatologist to the board of regents of the University of the Philippines, and a baker to the board of the Philippine National Bank. Meanwhile, Ramos was severely criticized for creating positions for favored friends and for exacerbating the “generalization” of the bureaucracy.

One singular feature of the Estrada Administration was the impeachment of the President himself and the wholesale removal of the senior officials of government by the incoming Arroyo administration.
As expected, leading officials of the Estrada Administration were removed. One particular “victim” was the former Treasurer of the Philippines.

In October 4, 2004, the Department of Budget and Management (DBM) and the CSC pursued the Rationalization Program as mandated in the executive order from the Presidents or **EO No.366**.

President Gloria Macapagal-Arroyo, issued **Executive Order (EO) No. 366** rationalize the government bureaucracy. EO No. 366 provides the strategic review of operations and organizations under the Executive branch, and options and incentives for affected government employees.

Voluntary Retirement Scheme (VRS) is a scheme introduced for agencies with redundant functions. The employees are offered a severance or retirement package that will be funded by the national government.
Aquino III Administration

- PNoy vowed that his government would not let crimes of the past go unpunished. Following the commitment to a tuwid na daan (straight path) relative to daang baluktot (crooked path) taken by previous administrations, he reprimanded officials caught in different allegations of corruptions especially those involved in large scale cases of fraud and abuse of power. Some of the big cases involved then President Gloria Arroyo, former COMELEC Chairman Benjamin Abalos, former governor Ampatuan, and former provincial election supervisor Lintang Bedol. The pursuit to eradicate corruption led to the impeachment of two members of the judiciary and two resignations.
Duterte Administration

- President Rodrigo Duterte introduced 8888 or the Citizens' Complaint Hotline which is a 24/7 national public service hotline that allow members of the public to report poor government front-line service delivery and corrupt practices in all government agencies, government-owned and controlled corporations (GOCCs), government financial institutions (GFIIs) and other instrumentalities of the government in the Philippines. The hotline is managed by the Civil Service Commission in coordination with other relevant offices for the prompt resolution of public grievances and provision of feedback on the action taken on citizens' concerns within 72 hours.

- Summary dismissal of officials charged with corruption

- Creation of the Presidential Anti-Corruption Commission (PACC)
Duterte Administration

• In one of his statements he said that, “The government bureaucracy must be lean, clean, and nimble to address the people’s urgent needs.” Hence, proposing House Bill number 5707 or the Rightsizing the National Government Act. Rightsizing will address redundant, duplicating or overlapping functions, agencies that have outlived its purpose, and agency functions that could be better undertaken by the private sector or devolved to LGUs. This is to ensure effectiveness, efficiency, responsiveness, and progressiveness.
Civil Service at present: Issues and Challenges
• When a new president comes along, he could summarily remove agency heads and third-level appointees, in turn removing also a corps of ‘policy-determining, highly technical or primarily confidential’ staff, and replace them with his own people without much trouble.

• All presidents resorted to reorganization of the bureaucracy – whether comprehensive or partial
  • While reorganizations were launched for objectives of economy, efficiency and effectiveness, these exercises also provided opportunities to ease out politically unpalatable persons and unwanted organizations
• The requirement of courtesy resignations, started during the time of President Marcos and was imitated with enthusiasm by his successors, facilitated summary dismissals and purges on the bureaucracy
• Frequent changes of heads of agencies
• The distinction between career and non-career officials was blurred
• The practice of placing political appointees in positions requiring professional qualifications
• Marcos and Aquino syndrome: widespread termination of officials, reorganizations on the grounds of “efficiency,” appointment of more people to the bureaucracy, and assignments to positions based on political loyalty.
• These practices were continued by the succeeding administrations.
• Non-stop allegation of scams, charges of bribery, and corruption at the highest levels

• Career people who have worked in the bureaucracy and were removed or reorganized out in spite of the wide array of laws, rules and regulations promulgated to protect them.

• Intimate linkages between politicians and the bureaucracy

• The Philippines has a long history of governance reforms in the civil service. At the same time, it has an equally long history of abuse in the civil service. Political and economic instability cannot but impact on the civil service.
The Political Economy and Strategic Human Resource Management
Some final words

• Congratulations on the choice of topics. These will help civil servants cope with technical changes in the bureaucracy.

• However, the influence and impact of the Political Economy has to be recognized and dealt with.

• The Civil Service cannot be insulated from political and economic forces

• How about an HR Conference to capacitate civil servants in balancing reforms with the political economy?

• HR practitioners who practice strategic human resource management must also be responsible citizens and contribute to reforms in society itself.
The world is changing. The bureaucracy is changing. We must keep up with changes in our respective organizations in the public administrative system in our country.
The Philippines is likely to have the best civil service only if legal reforms passed to improve/enhance the system are seriously implemented. Despite reform initiatives, bureaucracy remains ineffective and damaged. Public Administration scholars emphasize that civil service reforms can only be achieved and strengthened with sustainable economic growth, and political maturity and stability. Heightened and publicized movement on civil service reforms, urgent ratification of the Civil Service Code, reasonable and standardized salaries of professionals doing similar jobs, and high regard for trustworthy and outstanding civil servants will certainly contribute to advance reforms in the civil service. Ultimately, the active participation of all the different sectors in society is vital to revolutionize the government system.

–Briones, 2005
People are attracted to the bureaucracy primarily because of the perceived power of bureaucrats. [But] public service is not about power and getting rich. It is all about suffering—financially, physically, psychologically. It is about attacks from all corners. But it is also joy—the joy of introducing reforms, the joy of touching people and the joy of teaching them new ways of thinking and of serving our people.

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