

**STATEMENT BY
THE PRESIDENT OF THE ECONOMIC AND SOCIAL COUNCIL,
H.E. MR. HAMIDON ALI (Malaysia)
AT THE
NINTH SESSION OF THE COMMITTEE OF EXPERTS ON PUBLIC
ADMINISTRATION**

**ECOSOC Chamber
United Nations Headquarters
NEW YORK, 19 APRIL 2010**

Distinguished Delegates and Observers,

Ladies and gentlemen,

I am pleased and honoured to address the opening of this very important session of the Committee of Experts on Public Administration on the main theme of *Challenges to and opportunities for public administration in the context of the financial and economic crisis*.

The current crisis and the global economic downturn it has sprung represent serious challenges not only for economic sustainability but also for effective governance in all parts of the world. They also imply imperatives for governments to review and revise their responsibilities.

What can **governments** do to spark new ideas to effectively manage this and similar crises in this age of responsibilities, while preventing their recurrence in the future? How can **we, the United Nations**, help Member States better prepare for the likes of the financial and economic crisis including the natural disasters that have stricken Haiti and Chile recently this year?

There are many potential answers to this riddle, but no silver bullet solutions. I would like to humbly suggest three key concepts, which I believe, are taking on increased significance as we gradually learn from past mistakes and move forward to effectively tackle the series of crises that have engulfed our world in the twenty-first century.

These concepts, which I would like to call the **three eyes (Is) to the future of governance**, are Integrity, Innovation, and Information:

Integrity because risk management, monetary policy and regulatory capacity constitute only one strand, and not the whole of the critical challenges posed by the crisis in hand. In fact, the global financial and economic crisis is very much social and political in nature and points to nothing less than eroding public confidence in *markets* and *governments*.

Markets, because it has now become clear that economic solutions, such as fiscal prudence and macroeconomic stabilization do not automatically fix social woes. Social policies associated with pro-poor development and access to basic goods and services must be pursued as goals in and of themselves.

Governments, because the current crisis has shown serious loopholes in public fiscal management as well as the overall transparency and accountability frameworks, which are the two critical pillars of effective and legitimate governance.

Therefore, one fundamental question facing the Member States today is the following: How can we restore the trust of taxpayers and creditors in governance institutions while reconfiguring transparency and accountability mechanisms towards honest, efficient, responsive and participatory governance, which will help prevent future crises?

Innovation promises to be a second eye to the future of public administration in the age of responsibilities. Restoring people's trust in their governments' abilities to operate in the new era requires *new leadership skills* and *hybrid policy-making*.

It requires *new skills* because now, more than ever, public sector leaders must be capable to respond to the cascade of round-the-clock innovations in the financial sector such as securitization, derivatives and the plethora of new investment vehicles. A public sector that is at least as innovative as the financial markets calls for a cross-sectoral view when devising workable and durable solutions to the challenges before and ahead of us.

Innovation also necessitates *hybrid policy-making* whereby the relatively new development parameters are explored and their associated tools are put to the service of citizens, not only to tackle the financial and economic crisis and its implications but also to promote sustainable and equitable development.

Innovation in public governance should not be undertaken for its own sake. It must be based on the needs of **citizens**. Public investment in innovation and human capital development must be pursued in both the developing and the developed world, and in conformity with the specific necessities of their respective populations.

Therefore, another fundamental question currently facing the Member States is the following: How can policy-makers effectively integrate green technologies, clean energy techniques, climate resilience, and research and development to name a few, into development plans--not only to manage crises but to stave them off before they strike?

Information is certainly the third eye to the future of governments in the wake of the global economic crisis. Why? Because information lies at the centre of the current financial debacle. And also because, and fortunately so, it also constitutes the pathway out of it. It was indeed the lack of adequate information-sharing and effective communication among regulatory agencies and other governance actors, which precipitated the collapse of the financial system. Now, it is the restructuring of these very asymmetries of information, which must become the locus of attention.

We must all work hard towards making sure that all governance actors--local, national and regional governments, private sector and civil society representatives, international financial institutions and international organizations and all citizens in Member States, effectively share information and collaborate with each other.

Therefore, another critical question facing the Member States today is: What are some of the creative ways in which information and communications technology (ICT) can be used to ensure effective, transparent and accountable governance systems for sustainable and equitable development?

Your discussions during this ninth session of the Committee can be pivotal in providing answers to these fundamental questions, and many others that are equally important, including particularly those related to this year's Annual Ministerial Review on *Implementing the internationally agreed goals and commitments in regard to gender equality and the empowerment of women*. After all, we know that the crisis has put a disproportionate toll on women and that their empowerment and active participation in economic and political decision-making are indispensable to development.

The Outcome of the United Nations Conference on the World Financial Crisis and its Impact on Development, which took place in New York in June of 2009, declared that the Economic and Social Council must play a critical role in coordinating the United Nations development system's response to the global financial crisis. The Committee of Experts on Public Administration can greatly assist the Council in this important duty.¹

¹ A/RES/63/303. *The Outcome of the United Nations Conference on the World Financial Crisis and its Impact on Development*. New York: 13 July 2009, Para.53. Found at http://www.un.org/ga/search/view_doc.asp?symbol=A/RES/63/303&Lang=E

I am thus looking forward to your deliberations, conclusions and recommendations, not only on how to effectively overcome the economic meltdown but also, and more importantly, on how to move forward towards a “new paradigm of social coexistence,” to quote H.E. Miguel d’Escoto Brockmann, the President of the 63rd Session of the UN General Assembly.²

I wish you all well in your difficult but gratifying work for development in the years ahead. Once again, the Council counts on your continuing advice and support in assisting the Member States towards sustainable and equitable development for all.

Thank you.

² Opening Session Address by H.E. Miguel d’Escoto Brockmann, the President of the 63rd session of the UN General Assembly on the occasion of the United Nations Conference on the World Financial Crisis and its Impact on Development. New York: 24-26 June 2009. Found at http://www.un.org/ga/econcrisissummit/statements/pgs_opening_en.pdf