



How OECD Countries Look at Public Governance OECD-Israel Conference on Cutting Bureaucracy: Regulations and Services in Israel

28 June 2011, Jerusalem

1. The state is back

- The crisis and the limits to the market
- But also limits to the state:
 - Weak strategic capacity;
 - Tyranny of the silos;
 - Limits to fiscal, monetary levers;
 - Regulatory gaps, moral hazards;
 - Polarised electorates.
- *The paradox of distrust*: pressure for more regulation, which is less effective. How to break the vicious circle?

2. Structural reform is the way forward

- Reform is more urgent, but harder
- Point of rupture: question historical analogies, extrapolations. Caution? Courage?
- Regulate more (as a substitute for expenditure) or less (as a substitute for investment)
- Public services – and value for money

- Common values: transparency, accountability, evidence-based decision-making
- Communication
- Challenges:
 - Risks;
 - A public sector which is anticipative, innovative, adaptive.

3. Why *public* governance?

- Governance – why the term is so common today: how ideas anticipate reality, or the facts fit the concept
- The public interest – creating opportunity, providing security, anticipating the future
- Not the state alone, but not privatisation or outsourcing either
- Cross-sectoral, public-private, public-public, past-future
- Synergy + symbiosis = innovation

4. How the OECD helps

- Data: Government at a Glance, the Regional Outlook
- Policy dialogue: reviews; tools, institutions, policies
- “Soft law”—recommendations, guidelines

- Draft Recommendation on Regulatory Policy and Governance
 - Explicit policy, institutions;
 - User-centred, social and economic benefits;
 - Closing the loop –*ex-post, ex-ante policy cycle*; compliance costs;
 - Risk, international co-operation.

5. What you will hear in the next 2 days, and why it is important
 - The vision – What? Whose? When? How?
 - Resources for transition costs
 - The ethics of the public service, and ethics in the public service