Challenges and opportunities in the development of human capital in the Dominican Republic’s public administration system

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The Context of Reform in Latin America

During the latter part of the 20th century, State reform became one of the main topics on the world’s political agenda. Interest in government reform is not new. In Latin America, governments have been constantly engaged in some form of administrative reform (Bresser-Pereira, 2001). Originally, the strategies used were fiscal adjustment and devaluation of the currency. But the legacy of the late 1970s’s crisis of confidence in government led to other reforms that de-emphasized government solutions and allowed the market to have greater predominance (Centro Latin American de Administracion Para el Desarrollo, CLAD, 1998).

Thus, the trend toward reform worldwide was accelerated in 1985 when the United States, through what is known as the Baker Plan, defined its commitment to neo-liberal reforms as a way for indebted countries to solve their problems. Neo-liberalism became a universal solution. The underlying assumption was that the private sector was better than the public sector at delivering services at a lower cost (Bouckaert, 1992; UN, 2000; CLAD, 1998). Accordingly, neo-liberalism was embodied in economic and structural reforms emphasizing downsizing, free market, privatization and decentralization (Meacham, 1999; Acevedo, 1998; Bresser-Pereira, 2001; Welsch and Carrasquero, 2000; Ospina, 2002). This notion was embraced in Latin America, with many countries, including Peru, Mexico, Argentina, Colombia, Uruguay, Bolivia, and El Salvador privatizing totally or partially many of their government enterprises.

Unfortunately, the purported benefits of these so-called first generation reforms seem not to have materialized for everyone, leading many to ask why (Mesa-Lago, 2001). Two main problems became evident. According to Paramio (2002), the first problem was that public institutions did not have the capacity to provide the framework within which the market was supposed to operate. He gives as an example the judicial system which under the appropriate conditions should guarantee the rights of property and the fulfillment of contracts, characteristics necessary for the proper functioning of the market. The second problem was that national economies became vulnerable to outside forces, causing disastrous events such as the Mexican crisis in 1994-1995. Ospina (2002) concurs with this assessment when she writes that there has been a painful realization that, “after multiple and disastrous applications of the pure neo-liberal model, sustained economic and social development, requires the participation of the State” (p. 237). She too advocates the “strengthening of public institutions rather than the decimation of the State” (p. 237).

As a case in point, to a large extent Chile’s apparent success with privatization is owed to a technically and administratively capable public sector and to a stable political environment. According to the World Bank (2000), in Chile the private sector is the engine of growth and the public sector plays a guiding and supportive role by setting the ground rules, compensating for major imbalances, and maintaining macroeconomic stability. It is this realization that has given way to what has been called second generation reforms which make it imperative that the State develops its capacity to address those needs that can contribute toward economic and social development (Paramio, 2002). Increasing government’s capacity requires that we invigorate public institutions (Martinez Puon, 2002). This, states Martinez Puon, requires the design of norms and restrictions to control the authoritarian actions of the State, and to combat entrenched corruption. Quoting the World Bank, he concludes that this
means that there is a need to improve the performance of government institutions. Even though economic reforms and the values they profess are important, sustained development and the fight against poverty are not possible without reforming government institutions which are called to lead in these endeavors (Merodio, 2003; Mejia-Ricart, 2003; Martinez Puón, 2002; and Paramio, 2002).

Given this background, Merodio (2003, pp. 3-4) suggests that State reform should have three objectives:

1. Political reform that allows checks and balances.
2. Creation of institutions that promote economic development.

While these three objectives are interrelated, he feels that the third, which has often been neglected by reformers, is essential to the success of the other two. Likewise, CLAD (1998) has called for the rebuilding of State capacity through public administration reform as an essential condition for improving governance and enhancing democratic governability.

Alas, strengthening the State in Latin America will require dealing with deeply rooted deficiencies in the public administration apparatus, which, in spite of over 70 years of attempts to implement a civil service reform like those in France, Germany, and the United States, has yet to be overcome (Bresser-Pereira, 2001). These deficiencies include patrimonialism, corruption, patronage, economic populism, lack of policy continuity, a long centralist tradition and personality leadership (Welsch and Carrasquero, 2001; Mejia-Ricart, 2000; Scarpaci and Irarrazaval, 1994; Bresser Pereira, 1993; Meacham, 1999).

The public sector in Latin America needs better leadership, professionalism, accountability, and administrative and technical capacity, as well as an increased use of information for decision-making. These values are embedded in good public administration and are promoted because of beliefs that they can improve the quality of life of citizens. Without the appropriate technical tools, the processes of change and governability as well as the legitimacy of the State in the local and national context are threatened (Ryan and Aguilar, 2002). The implication here is that in order for State reform, or any other type of reform, to work, attention must also be paid to the human capital in public entities. This form of capital is an essential component of the institutional infrastructure that Merodio (2003) endorses. But developing a capable and stable human capital requires a change in the socio-political culture of the country, a process can be examined in the Dominican Republic.

The Case of the Dominican Republic

Public administration in the Dominican Republic suffers of the same maladies found in other countries in Latin America. Patronage, corruption, inefficiencies and ineffectiveness are characteristics of the Dominican public sector. These deficiencies call attention to what USAID has noted as a very negative trend in Latin American Countries. Because of the barriers encountered in trying to eliminate inefficient systems which are real contributors to economic difficulties, the countries tend to avoid free market reforms. This highlights the recognition that free market reforms, and government reform in general, require the existence of a cadre of professionals with the skills to respond effectively to the challenges presented by the implementation process and the reforms themselves. Otherwise, government will remain inefficient and an obstacle to reform.

Furthermore, there needs to be a public administration infrastructure emphasizing the importance of public service, the treatment of all people on an equal basis, and honesty and transparency in providing services to the public. The rule of law must also be enforced and administrative law, which affects people in public service, needs to be strengthened to provide program stability, continuity of projects and the reduction of corruption in the public sector.

Recognizing these needs, in 1996 the newly elected president of the Dominican Republic,
Leonel Fernandez, begun a process of reform with the creation of the Comisión Presidencial para la Reforma y Modernización del Estado (Presidential Commission for State Reform and Modernization). In 2001 an executive order by President Hipólito Mejía expanded the Commission’s 1996 mandate, giving it a larger budget allocation and more responsibilities and weight on the matters of state reform. During this expansion, the Commission became CONARE. One of the first steps of the reform efforts initiated in 1996 was to identify the obstacles to the conversion of institutions known for their bureaucratic and non-transparent functions into democratic and credible government agencies.

Not surprisingly, one of the obstacles uncovered by CONARE was that the Dominican public administration system was marred by inefficiency, lack of managerial and decision-making skills, clientelism and instability. Thus, the reform process, to be guided by CONARE, was divided in four areas, one of which is public administration. The objectives of CONARE in the area of public administration, the main focus of this paper, are to institutionalize the public system, enhance professionalism in public management, and increase efficiency in the delivery of public services. Furthermore, this reform will respond to increasingly articulated demands for transparency in implementing reforms that respond to the economic forces unleashed by market and regional integration. Most important for this paper is that this legislated reform can now be implemented given that the Dominican government recently put into practice its 1991 law of civil service and administrative career bringing job stability to public servants and highlighting the need for specialized training.

The Barriers

The quality of the human capital in the Dominican public sector was an issue of concern for many before the reform efforts that began in 1996. For over three decades the country had engaged a number of Dominican experts in an extensive study and analysis of comparative administrative law (Dr. Raymundo Guzman, former Director of ONAP, see ONAP, 2004). These efforts resulted in the enactment of the law of civil service and administrative career (Law No. 14-91) on May 20, 1991. The law attempts to "democratize public administration...and to provide public employees the same rights that were given half a century earlier to employees in the private sector through the Code of Work” (See ONAP, 2004). Among other things, the law attempts to bring job stability to public servants and calls for individuals with specialized training in the administrative career, antitheses to patronage and corruption. It mandates that in order for individuals to qualify for the administrative career they need to either go through an internal evaluation that takes into account their academic record, years of employment and performance, or through a general competition. However, the law was not properly implemented due to three specific problems: lack of political will, lack of capacity within ONAP, and structural barriers.

Lack of Political Will. As enacted in 1991, the law appeared to be more of a symbolic gesture than a true attempt to for ever change public employment. The rules and regulations for applying the law were not approved until 1994. And even then, according to Rafael Alburquerque, former Dominican Secretary of Labor, the regulations dictated that the law had to be applied first in a small public institution, the Department of Finance, and that only executive orders could mandate the application of the law in other government institutions (CONARE, 2001 N 2). It wasn’t until 1999 that President Fernandez issued an executive order mandating that the law be applied in other government institutions. The Oficina Nacional de Administración y Personal – ONAP (National Office of Administration and Personnel), the agency in charge of implementing the law, began the process of incorporating individuals to the career.

When the 2000-2004 administration came in, President Mejía ordered the firing of public personnel, including those that had been incorporated to the civil service career during the previous administration and the suspension of the application of the law. According to the Director of ONAP
(2000-2004), Dario Castillo, this was done because there was suspicion that individuals that did not qualify according to the requirements of the law were nonetheless incorporated. Yet, after auditing the files of those incorporated by President Fernandez, it was found that 86% of those did indeed qualify. ONAP recommended to President Mejia that he complete the process for those individuals by issuing the special appointments as stipulated in the law. President Mejia complied with the request. Only the president completes the process of incorporation to the career.

Lack of capacity within ONAP. Second, the low rate of incorporation of personnel to the civil service career has also been blamed on the traditional lack of capacity of ONAP. Like many other public sector organizations in the Dominican Republic, ONAP did not have the financial and political backing to apply the law. There were not enough individuals with the skills (e.g., evaluation and classification of personnel) necessary to implement the law. In 2000 there were only 15 individuals with such skills, by 2001 with the financial support of the European Union, there were 94 trained employees.

Structural barriers. The longstanding tradition of hiring on the basis of patronage—government positions given out in return for personal and political loyalty and service—rather than on the basis of merit (U.S. Library of Congress, 2004), continues to derail the implementation efforts. This practice has resulted in two specific problems cited by Mr. Castillo. The first problem is that directors of government agencies erect many barriers that do not allow ONAP to effectively implement the law. They do this because these agency’s directors are accustomed to “clientelistic” practices, something that the law is aiming to end (CONARE, 2001 N2, p. 38).

The second related problem is that ONAP also found it difficult to incorporate individuals into the career because there is a low level of skills among Dominican public servants (CONARE, 2001 N2, p. 38). That is, individuals do not have the technical and administrative skills necessary for the jobs they have been hired for. This is something prevalent across policy sectors and contributes to personnel without the appropriate qualifications being hired and no money is allocated for professional development as reported in an evaluation conducted by the Dominican Health Department (SESPAS, 2000). The clientelistic nature of public employment has two important repercussions. It makes it difficult to attract qualified and bright individuals to the public sector, and it causes high turnover in public employment because of the firing that goes on when the administration changes. These two issues are further exacerbated by the traditionally low salaries in public employment.

Nonetheless, as of December of 2003 approximately 11,000 public employees had been incorporated into the administrative career under the law. As clearly stated in the norms for joining the public administration career put forth by ONAP and the Contraloria General (comptroller general), the Dominican Government has come to recognize the pivotal role played by professional public administrators in state reform and modernization. But, the efforts to professionalize public administration in the Dominican Republic will also require that there be available training for individuals interested in public administration.

Unfortunately, the traditional lack of transparency and inefficient bureaucratic arrangements has also minimized the importance of academic training. As a result, the universities in the country were marginalized and did not develop a capacity to fulfill the country’s need for professionals with the skills needed to respond to the challenges presented by the process of reform as the country tries to solidify the democratic system and implement policies that lead to sustained political and economic development. Take as an example the Universidad Autónoma de Santo Domingo, UASD. The UASD, the sole public university in the Dominican Republic with over 50% of the country’s student population, has found itself in the position of a simple bystander. Although the UASD has an undergraduate degree in public administration, the program has no students. ONAP tried to foment interest in this degree by offering scholarships, but no one took advantage of it.

Furthermore, because of structural issues, earlier efforts made by one of the largest private religious universities to train public administrators also failed. They attempted a degree in public
administration, but after the first group graduated the university had to abandon it. Without a system of public employment that valued knowledge, the graduates of the degree were unable to find suitable employment in the public sector.

Addressing the Challenges to Reform: Building Capacity in Public Administration Education at the UASD

The implementation of the 1991 Law of Administrative career is in itself an important step toward State reform. It represents an opportunity for the country to break with the cycle of corruption and inefficiency so prevalent in public organizations. But, as stated above, the country currently does not have enough capacity to respond to the core problem faced by implementation of reforms, the lack of properly trained public servants. Specifically, there is a need for public administrators that embrace “the broad goals and values driving public administration…these include modernity, rationality, neutrality, science, accountability, meritocracy, and pluralism” (Candler, 2002 p. 303). There needs to be formal training that promotes those values. One of the strategies used by ONAP to address this need was to sign and implement an agreement with the National University of Distance Education in Spain to implement an on-line masters program in public management. In its introduction to this on-line program ONAP states that the country is in need of properly trained public personnel to strengthen and support the development and modernization of public institutions.

The UASD has come to recognize that it needs to develop its own capacity in order to become a driving force in developing the kinds of experts, public servants and faculty that are needed to support national reforms. To that end, since 2002, members of the faculty of the UASD and Utah State University, as well as staff in CONARE have been working on establishing a multilateral partnership that can contribute to strengthening the UASD, so that it can develop its own institutional capacity to become an important player in the process of reform of the country. Our initial efforts were later supported by ONAP and in 2004 resulted in a successful partnership proposal that received funding from USAID through the American Liaison Office for Cooperation in Development (ALO).

Our project seeks the institutional transformation of the UASD by assisting in developing a capacity to better respond to the reform needs of the Dominican Republic. Utah State University (USU), a land grant university with a long tradition of service in the global community and in the Dominican Republic in particular, is in a good position to support and model the required transformation. Created in 1888, USU’s major functions are teaching, basic research, applied research, and community and worldwide service. Since the 1950’s, USU has implemented over 125 major international technical assistance and training projects.

The overall goals of our partnership from general to specific are: (1) to promote partnerships between the UASD and other government institutions (2) to provide training to government officials and others that increases the skill levels and professional identification of government administrators; and (3) to prepare university faculty for new roles as policy analysts and as leaders in government reform. The project involves establishing formal cooperative protocols between UASD and government entities seeking to augment human capital resources that specifically address the reform needs of the country. The academic component will consist of a Masters program at the UASD, developed with the input of CONARE, targeting the areas of need identified by those institutions. The masters program will have a strong applied component with students working to develop solutions to real problems. This will in turn help develop a currently neglected linkage between higher education institutions and the public sector entities that will employ program graduates.

Another important outcome is that this project will help establish the capacity for technical assistance collaboration between faculty of the UASD and CONARE. This is not common practice in the Dominican Republic as government agencies often rely on private and foreign personnel to work on local projects. The objectives under each of our three overall goals are listed below:

**Goal 1:** To promote partnerships between the UASD and other government institutions. Objectives:
1. Increase the UASD’s involvement in the Dominican Republic’s reform effort.
2. Establish protocols and incentives for sponsored research and for service with public sectors
entities
3. Establish internships for pre-service students in the masters program that we propose to implement.
4. Establish linkages, through CONARE and ONAP to develop recruitment strategies and increase the employment opportunities for graduates of the masters program.

Goal 2: To provide training to government officials and others that increases the skill levels and professional identification of government administrators. Objective:
5. Develop and implement an applied masters program that will increase competencies of current and future public servants in:
   a. Leadership and ethics
   b. Budgeting and finance
   c. Program evaluation and performance measurement
   d. Public management and policy

Goal 3: To prepare university faculty for new roles as policy analysts and as leaders in government reform. Objective:
6. Through a train-the-trainer approach, enhance the capacity of UASD’s faculty to teach in the masters program and to work with students on service projects geared to the support of the reform efforts.

This project is unique. It brings together Dominican public institutions in a cooperative effort for mutual benefit. Through exchange of administrative personnel, it builds public administration capacity of the country by exposing them to the personnel practices of the United States. The masters program is designed to build upon the institutional strength and resource commitments of UASD’s existing undergraduate program in public administration. Further, through faculty exchanges, it will use a train the trainer approach while implementing the program and thus ensuring its institutionalization. Also, Utah State University’s significant institutional presence in the Dominican Republic can be instrumental in facilitating institutional buy-in to support program objectives across a broad spectrum of academic and government partners. CONARE is going to play a pivotal role in this partnership. For example, it will provide opportunities for students to participate in research and service projects; with the assistance of USU partners and ONAP, it will create opportunities for internships and will facilitate students’ interactions with various government agencies to develop a network for future employment possibilities.

Accomplishments

A. Faculty and Administrators Exchange. In May of 2004, nine faculty and administrators from the Dominican Republic spent one week at USU. Those participating in the exchange included the Rector of the UASD, Dr. Porfirio Garcia, the Executive Director of CONARE Secretary of Sate Dr. Tirso Mejia-Ricart, the Dean of the faculty of Economics and Social Sciences, Mrs. Emma Polanco, and the Director of Classification at ONAP, Mrs. Fanny Dotel. They participated in a workshop that introduced them to the role and culture of a land-grant university. Among other things there were presentations and discussions about:
   - Faculty involvement in research and service;
   - Functions of the sponsored programs office;
   - Creating partnerships between universities and communities;
   - Community outreach efforts of universities;
• Recruitment strategies for professional programs.

Also, they visited the Utah State Department of Personnel and the Office of the Prosecutor. They attended presentations about:
• Criteria and process for hiring career employees;
• Establishment of criteria for the permanent professional positions;
• The ethics of public service;
• The mechanisms for controlling corruption and nepotism; and administrative accountability;
• The legal framework which controls the actions of public employees and establishes consequences for breaking the law.

In July of 2004, faculty and administrators from USU as well as an international consultant participated in an exchange visit at the UASD. The visit entailed conducting a two-day workshop as a way to promote the UASD’s involvement in the reform effort and build capacity. The workshop dealt with four specific topics: markets and public bureaucracies; public finance; public productivity improvement; and decentralization. A total of 81 persons attended the workshops. They included public servants, UASD’s faculty and CONARE and ONAP’s personnel. All attendees received a certificate of participation.

B. Curriculum Development. Another accomplishment has been the development of the curriculum that will be used in the masters program. Each one of the courses has been designed to provide students with theoretical and practical knowledge that they can use to provide solutions to real problems. It is expected that the program will begin in January of 2005. The courses will be taught by foreign and national faculty. Appendix I lists the courses that will be part of the program.

Conclusion

This paper began with the premise that the success of State reform depends on the existence of an institutional public infrastructure capable of supporting reform. Such an infrastructure requires professional public servants. As suggested by Woodrow Wilson in his seminal 1887 essay, by professionalizing public administration we create a public service culture that strengthens democracy, develops governance and promotes accountability. In spite of a number of challenges, the Dominican Republic is on track toward these goals.

The USU-UASD-CONARE partnership will meet a general need for a public university to become a leader and a resource for improved governance, and the specific need for training of entry-level public servants and middle and senior managers in national, state, and municipal government in the Dominican Republic. The combined effect of the partnership will be to support State reform.

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APPENDIX I. LIST OF COURSES

Leadership and Ethics
- Political thought and Institutions in the Dominican Republic
- Ethics in the public sector
- Leadership

Planning and Budgeting
- Quantitative analysis for public administration
- Budgeting and finance
- Strategic planning
- Human resource management, planning and staffing

Performance Measurement and evaluation
- Methods for scientific research
- Performance measurement
- Program evaluation

Public Management and Policy
- Public policy
- Local government and intergovernmental relations
- Applied economic theory
- Administrative law

BIOGRAPHICAL INFORMATION

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