

**Second Policy and Knowledge Summit
Leadership and Capacity Building for Public Sector Executives**

**“The Importance of Public Sector Executives to Achieve More
Effective, Efficient and Open Governments in LAC”**

**Opening Remarks by Ana Maria Rodriguez-Ortiz
Inter-American Development Bank
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Ladies and Gentlemen

Good morning

Buenos días a todos y todas

GHWEI LAI BIN / ZHAO SHAN JAO

On behalf of the Inter-American Development Bank, let me start by thanking all Chinese officials and scholars for taking part in this summit; and all the officials representing the countries of Latin America and the Caribbean for having travelled to this fascinating country to share their experiences in this important event.

Let me also thank our dear colleagues from the Chinese Academy of Social Sciences (CASS) for hosting this summit with us for the second year in a row; and our colleagues from the People's Bank of China for their continued support. We really treasure our partnership.

Once a year, thanks to the Institutional Capacity Strengthening Fund, made possible by a contribution to the Government of China to the Inter-American Development Bank, we have the opportunity to choose one development challenge to discuss in the Policy and Knowledge Exchange between China and Latin America and the Caribbean. And within the multiplicity of topics to choose from, **we decided to focus this year's summit on Leadership and Capacity Building for Public Sector Executives.**

We chose to focus on this theme for two reasons:

First, there is an unquestionable sense of urgency and need, in the countries of Latin America and Caribbean, for cadres of professional public sector executives or managers.

The economies of Latin America and the Caribbean have been profoundly transformed over the last 15 years. Economic and social progress has been significant: per capita incomes have risen, the middle class has grown, education levels have improved, and the digital revolution has meant that people are more connected, better informed, and can also demand more and better services.

However, the public sector seems to have been slower to adapt to this transformation. Despite the fact that demand for better governments remains high, public institutions in some countries are still lagging behind to meet these demands and gain the trust of the citizens they serve.

Various factors may explain the limited response from governments in Latin America and the Caribbean on this front. However, the close link between **the quality of public policies and public services and the quality of the civil service, in particular the quality of public executives, is an unquestionable fact, which** should propel us all to find solutions, and put in motion actions, to develop leadership and capacity for public sector executives.

Having capable public executives is crucial for achieving more effective, efficient and open governments, at the national, state and city levels. Public executives are the drivers of public organizations. Without the right management skills, public institutions simply cannot achieve their mandate.

How can we tackle this challenge? How do we attract, motivate and retain highly skilled public executives?

Governments across the world are asking themselves the same question. While some OECD countries have been working on this challenge for some time now and China has an impressive cadre of public executives and a prestigious institution like the China Executive Leadership Academy Pudong (CELAP), professional public executives are still scarce in our countries, the countries of Latin America and the Caribbean.

In our view, five important issues impact the quality of public executive leadership in our countries:

(1) Public executives in the central administration or state-owned enterprises tend to be selected based, almost exclusively, on political confidence, without much consideration to their professional experience.

While this does not prevent, per se, the recruitment of skilled executives, it makes the process dependent on the will of each political authority.

(2) Political parties in some countries do invest in preparing future public executives, but they tend to focus more on their *political skills rather than on their managerial skills*.

(3) Local universities have not traditionally offered solid postgraduate programs on public management.

(4) With the exception of central banks or few state owned enterprises, *the remuneration and employment conditions offered to public executives are not usually attractive enough, especially considering the level of responsibility and risks they face*. The wider labor market, particularly the private sector, is much more competitive.

(5) Finally, the *low trust in government institutions makes the public sector an even less attractive place to work for highly educated individuals*.

Within this relatively complex context, some success stories do emerge.

Some public institutions are finding a way of striking a reasonable balance between meritocratic suitability and political confidence despite the, sometimes, negative political incentives to do so. And they are inspiring other countries to follow this path.

At the local level, some authorities are doing their best to push this agenda forward, as they are at the front line, solving problems for citizens. Many times, they are confronted with limitations since public employment is regulated at the national or the state level. But they understand the need for a more professional cadre of public executives, perhaps better than any other elected official.

I am excited that we will have the opportunity to learn about the diverse experiences from a select group of our countries.

The second reason for choosing leadership and capacity building for public sector executives, as the theme of this Summit, is the rich and millenary tradition of China in this area.

The tradition of recruiting and preparing professionals for serving the government started more than one thousand years ago, when the Chinese Empire established a general exam system to find the best civil servants. This exam, inspired in the Confucian system, shaped China's life in many aspects, politically, culturally and intellectually; but also inspired Asian and Western countries to adopt similar models to build their civil service. Countries such as Vietnam, the United Kingdom, France and ultimately the United States of America adopted features of the exam system and incorporated them in their civil service recruitment processes.

We are eager to learn more about the extent to which this ancient Chinese tradition has impacted the modern executive civil service in the country today, and what are the main features and challenges that it faces today.

We are also looking forward to learning about the civil service training system in China, and the experience of civil service in cities such as Shenzhen or Beijing. We are also enthusiastic about witnessing, first hand, the different approaches and best practices of the Chinese Executive Leadership Academy Pudong (CELAP). CELAP has gained a global reputation as one of the main centers of excellence to build a professional executive civil service in China and to train officials from other countries.

Our countries share the common objective of having executive leaders that conduct public institutions with excellence and professionalism, and that this performance will translate into better services for our citizens. We believe that, during this summit, we will discover that China and LAC countries have a lot in common in this area.

I am convinced that this summit will be a great learning opportunity for all of us and I would like to thank CASS, CELAP, the People's Bank of China and all our colleagues from China and Latin America and the Caribbean for making this event possible.

I am confident that the exchange of policies and knowledge will lead to actions that contribute to strengthen the capacity of public executives; enhance the way public institutions are managed; and contribute to positively and decisively change the lives of our citizens.

Thank you very much

Muchas gracias

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