DESCRIPTION AND EVALUATION OF THE PROGRESS ACHIEVED IN ADMINISTRATIVE CAPABILITY IN CENTRAL AMERICA AND OF THE OBSTACLES TO ITS DEVELOPMENT
(Viewed from the standpoint of the objectives and progress of the Central American Common Market)

by

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I. INTRODUCTION

1. The author worked for eight years in the service of the six Central American countries, namely Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua and Panama, as part of a regional United Nations Development Programme mission in the field of public administration aimed at strengthening and modernizing the administration with the accent on integration.

2. The author thus had an opportunity to familiarize himself with the obstacles still affecting administrative capability and with the progress achieved in terms of corrective action, rather than through a descriptive appraisal which is of relative and limited importance if not related to action.

3. The following paragraphs will give a brief outline of the progress achieved and of the obstacles to the development of administrative capability in Central America.

II. DEVELOPMENTS WHICH HAVE IMPROVED ADMINISTRATIVE CAPABILITY IN CENTRAL AMERICA

4. In 1952, the Central American countries initiated a process of economic integration; Panama, however, did not accede to the General Treaty on Economic Integration and did not participate as a full member in the Common Market but has a form of participation under a tripartite treaty with Costa Rica and Nicaragua, and also with respect to some aspects of advanced education (Central American Higher University Council) and specialized training and technical assistance (Advanced School of Public Administration for Central America - ESAPAC and the Central American Institute for Public Administration - ICAP).

5. From the outset of the integration programme there was recognition of the fact that bilateral and multilateral agreements of a general or a particular nature would in themselves be inadequate unless an early effort was made to train public administrators to take on responsibility for implementing the decisions of the politicians as regards objectives and policies.
6. This was the reason why the first regional integration organ established (March 1954) was ESAPAC, which was later transformed into ICAP in January 1967 with the purpose of participating in training activities, basic research and technical assistance, as well providing in-service training.

7. As any legal entity or organization, ESAPAC and ICAP have gone through various stages of development, but generally speaking it can be said that they have done a great deal to improve the administrative capability, as is clear from the following figures:

(a) A total of 2,629 officials have been trained in regional, inter-American and national courses organized and carried out by ESAPAC-ICAP.

(b) A total of 22 seminars, round tables and conferences have been held between 1962 and July 1970, attended by 900 officials. During this same period, 58 basic research studies were undertaken, 83 activities involving direct technical assistance, and 127 activities involving extension work; in addition, 1,577 technical documents were issued and 4,330 volumes were added to the library collection which now totals almost 15,000 volumes.

8. In brief, it may be concluded that the objectives set for ESAPAC-ICAP - bearing in mind the constraints that they have had to contend with at certain periods - have been satisfactorily fulfilled in terms of both quantity and quality. Technical administrative cadres have been trained at the intermediate and higher levels and in many cases have themselves provided training in service or in national courses for the lower executive and operational levels. Owing to the lack of stability in the higher echelons of the administration in some Central American countries, however, training has to be viewed as a continuous process which in the short term has no limit because apart from exceptional cases, public administrators are still far from considering themselves properly trained in the majority of sectors and levels.

9. From the standpoint of quantity, the work done in training has not attempted to - nor could it - meet all the many needs that exist and it should be viewed rather as the training of those who are to act as catalysts in their own work and, in national programmes of technical training, in-service training and the expansion of teaching in universities so that their knowledge can be radiated outwards to all those who can put it to proper use, particularly those most directly involved in administration.
10. From the standpoint of quality, the work done in training has often had to start from a weak and inadequate base. This is both the result of the poor systems prevailing in the majority of the Central American countries (and also in a number of the other Latin American countries) for recruitment, selection, promotions, allocation of posts, etc., which are still handled empirically or are subject to political patronage, nepotism, favouritism among friends, etc., and the consequence and manifestation of the inefficiency of the normal primary, secondary and university education systems from which the public administration draws its staff.

11. Past experience in Central America appears to indicate that in-service training programmes are not effective unless accompanied by basic research programmes, the formulation of administrative policy and some awareness of the problems of administration and their solutions, and by direct technical assistance programmes to assist in their implementation.

12. Past experience would rather seem to suggest that for countries at similar levels of educational, political, social, cultural and economic development, the most desirable and consistent approach includes basic research to assess the actual situation, in-service training as a mechanism of change and of improving abilities and attitudes, and direct technical assistance to relate the work of international experts with that of their national counterparts in the practical sphere. Much can be expected of this kind of approach as regards achieving a high level of administrative capability, something which is so rare in the national governments particularly at a time when they have to enter new spheres of activity such as economic integration and, within integration, the problems of a common market. These new activities constitute a challenge to the public administration from the political, legal and administrative standpoints.

13. From the political standpoint, there is the challenge to develop a new conception of the community interests that must in many cases take precedence over national interests, and this requires a great deal of vision and courage in order to be able to face up to the pressure exerted by national groups who consider their interests are in jeopardy and create problems. It is also a challenge for the administration to make substantial improvements at the /highest level
highest level of the decision-making process, which is often hesitant or swayed by political motives and does not take full account of national interests over the short, medium and long term.

14. From the legal standpoint, it is a challenge to establish legislation to permit multinational action, the kind that is usually lacking in traditional legislation which is based on a national rather than a multinational approach to rights and obligations. It is also a challenge to co-ordinate the work of the executive branch of government with that of the legislative branch, for without the latter's support treaties run the risk of remaining nothing more than good intentions couched in diplomatic language.

15. From the administrative standpoint, it is a challenge to ensure that what has been decided upon at the political and legal level comes to life in the activities of each of the public servants participating in the management or operation of the administration, a challenge that points up the importance of administrative structures and procedures, and the abilities and attitudes of those who in the final analysis control the workings of the administration. While in theory this is all self-evident, in practice it is far from being achieved, the result being that many well-designed political decisions and pieces of legislation in Latin America are either never implemented or come too late to be of any use.

16. Other achievements that should be mentioned include the formation of informal groups of public officials. They have made a very valuable contribution to the improvement of administrative capability both in specialized sectors such as customs, taxation, transport and communications, and in the general areas of finance, the budget, staff matters, administrative reform, educational administration, etc.

17. As regards customs matters, which are specially related to the Common Market, ESAPAC and ICAP's efforts to improve administrative capability have covered a wide range of topics, including complete studies of existing customs structures and procedures and suggestions to facilitate free trade and the free movement of persons among the five countries in the region and between those countries that have entered into special arrangements, as is the case of Panama with Costa Rica and Nicaragua, covering a number of groups of products
included in their tripartite treaty. The suggested structures and procedures are designed to facilitate free trade within Central America, an objective that has not yet been attained.

18. ESAPAC and ICAP have also carried out studies to identify, and improve the instruments adopted for and applicable to free trade, and to disseminate information on them to the staff responsible for directing and implementing trade liberalization programmes.

19. Regional training courses and national in-service training courses have been given on product identification and classification, border customs administration, emigration and immigration, public health, customs and port administration, etc. attended by 630 officials from the six countries during the period 1962-1970.

20. During the same period, four major seminars have been held, at one of which discussions concentrated on the most desirable of current policies, regulations and practices for the administration of the Agreement on Fiscal Incentives to Industry which is largely dependent on the policies of the Common Market under which integration industries are being established and functioning. Two of the seminars considered matters relating to customs administration, one was a meeting of Directors General of customs authorities, and one discussed the customs and port problems of one of the member States. A total of 97 officials participated in these seminars, some from the private sector and the remainder from port and customs authorities.

21. All these achievements reflect the close links between the work of ESAPAC and ICAP and the objectives and needs of programmes for subregional economic integration in Central America since, although priority was given to strengthening the administrative capability of the Common Market, efforts were also made to improve fiscal administration and the administration of transport, communications and mail services which are interdependent public sectors and hence indirectly influence the effectiveness of the Common Market, as has been clearly demonstrated by experience in Central America since 1952.

22. These objectives have stemmed from the technical guidelines laid down by the member Governments upon the recommendation of their own officials or of the international and subregional experts coming under the ECIA Mexico Office, SIECA,
Office, SIECA, the joint OAS/IDB/ECLA Mission, ICAITI, BCIE and the United Nations and UNDP experts working in ESAPAC and ICAP.

III. OBSTACLES TO THE DEVELOPMENT OF ADMINISTRATIVE CAPABILITY IN CENTRAL AMERICA FROM THE STANDPOINT OF THE COMMON MARKET

23. Despite the notable improvements that have taken place in some special sectors of the public administration in Central America as a result of the establishment and operation of the most modern techniques of planning, budgeting, personnel administration, taxation, customs organization, etc., and despite the fact that a large number of officials have been trained and become aware of their new and growing duties and responsibilities, Central America is still far from having a public administration that is forward-looking and effective in a sustained manner, given the large and complex needs of the integration programme and its associated common market and those of development in a wider sense.

24. A brief summary of the major obstacles to the development of administrative capability would include the following:

(a) Inability at the higher decision-making levels to understand the political, legal and administrative challenge that exists to ensure that the public administration - especially in those areas most closely related to integration - facilitates and does not impede all the new measures that have to be taken in a more rapid and timely manner than formerly within the prevailing context of structures, procedures and political, legal and administrative attitudes.

(b) Inability of some of the higher levels of technical management to understand that the development process, the integration programme and the Common Market all require a fresh look at working systems, abilities and attitudes that will make their day-to-day work an adventure demanding a team effort from all public servants at the higher executive, intermediate and supervisory levels as well as at the operational level.

/(c) Plans,
(c) Plans, programmes and projects for administrative reform that are not fully backed up by the higher political authorities. In addition to having a sound technical basis, they must have a real sense of purpose in order to secure political support and they must be in tune with the national political and socio-cultural make-up. Unless this is the case, they will probably remain academic or technical exercises with very little likelihood of ever achieving their aims. This point must be very much borne in mind in developing a strategy and measures to strengthen administrative capability.

(d) Plans are not properly related to integration programmes. To obviate this, the strategy should also include the strengthening of the very necessary links between national and regional or subregional plans, programmes and projects to ensure that they are all closely related. Administrative problems arise when regional and national agencies dealing with integration, the Common Market, planning and administrative reform do not work closely together; they may well be efficient individually but they are after all concerned with achieving their own aims, which are seldom interrelated by means of a central policy. However, this need for close collaboration does not mean that all national agencies should form part of a single structure, but rather that they should all work in a co-ordinated fashion towards the same end.

(e) There are not enough staff with the necessary ability and motivation to play a full part, in a timely and responsible way, in what will be new and non-routine work. It is therefore essential for plans, programmes and projects relating to integration, the Common Market and administrative reform to make provision, from the operational standpoint, for training their management and technical cadres, as a means of developing their own human resources.

25. It may therefore be concluded that, within the administrative reform being implemented by a number of Latin American countries - particularly those which place special stress on the implementation of development plans with reference to integration or free trade - priority should go to strengthening or creating the administrative agencies or instruments that are essential tools for implementing development plans.
26. It will not always be feasible, or even desirable, to initiate a complete overhaul of the administration although this is a continuing objective that must be sought over the medium term and in a number of stages, one of which give priority attention to administrative reform of the structures, procedures and attitudes of the administrative sector most closely connected with subregional and regional integration, for integration is an essential component of the development of each individual country and of the Latin American region as a whole.