The problem. The cost to developing countries of a poorly performing senior civil service hardly needs elaborating. The standard solution of the donors has been a meritocratic reform along OECD-country lines: extending tenure and political protection to qualified and meritocratically-appointed staff. These types of reform have failed systematically. What can we learn from this?

What does the history of civil-service reform teach us? The history of civil-service reform in today’s advanced countries is rich and complex. First, modern civil services have emerged slowly and in piecemeal fashion. Civil services function within unique national institutional settings in which, say, trade-offs between performance and politicization are not always clear. Nonetheless, the degree of convergence, today, of the different national European systems on a broadly similar model is quite remarkable. But today’s reform model expects reform to happen with a speed and clarity that were not present in past reforms. Second, merit systems cannot just be wished (or supply-driven); they are the product of political forces (demand-driven) responding to particular problems. Perceptions of ineffectiveness, personal corruption, and (in some cases) the political corruption of the spoils systems were what drove the deep administrative reforms undertaken by the advanced countries from the mid-1800s to the early 1900s. Today’s reform model is very often supply-driven. Third, there are systems other than merit that work in the public interest. When governments and countries were small, patronage was not necessarily bad: thus it was with earlier government by “gentlemen” in the UK, Japan, and the US.

The obstacles to reform in developing countries. There are three major obstacles. First, public employment as welfare policy. Many, if not most, developing countries are politically forced to use public-sector employment as a form of welfare policy. This in turn leads to fiscal pressures which drive down civil-servant wages and makes it difficult to employ qualified people. The OECD countries faced much less pressure at a comparable stage of development. Second, politicization of (corruption in) senior appointments. When democratic controls are not in place – when electors cannot exert enough control over governments – and when rules to insulate and professionalize the civil service, if they exist, are overridden, politicians are able to have public officials act in private or party-political interests. Third, an insufficient national pool of human resources. In poor countries where education levels are low and private sectors are underdeveloped, the pool of human resources is not enough to provide qualified public servants.

The reform options for developing countries. Short-cuts to de-politicization have proven a mirage. Civil-service professionalization will be promoted, in the longer term, by: the development of the pool of human resources and of labor markets; reforms that mitigate the use of public sector jobs for welfare policy, hence permit civil servants a rising wage, and a corresponding growth in the political demand for civil-service reform (i.e. greater demand from the public and business for good public services).

What are the options for the shorter term? There are several possibilities.

- **Horizontal reform – hybrid senior appointments.** Many OECD countries have a set of comprehensive rules for senior political appointments. Some, like the UK, rigorously separate senior political and non-political appointments. Others, like Brazil and the US, allow a certain mix of “hybrid” senior appointments. For many “pre-democratic” countries, it may make sense to extend political appointments to a larger portion of the senior civil service, but with clearer rules than hitherto.

- **Vertical reform I: agency differentiation (universal rules in selected, “graduated” agencies).** One possibility is that agencies graduate to better availability of resources when they demonstrate that they can manage them properly. Brazil has been reasonably successful in pursuing a differentiation strategy by privileging specific careers (hence agencies) within a career-based civil-service regime.

- **Vertical reform II: enclaved (or autonomous) agencies (non-universal rules in selected agencies).** This reform, the most practicable and widely used option, has proven effective. But it has not always proven durable and it may balkanize the state.