Preface

The recent crisis has been caused by major failures in regulation and supervision by public authorities, as well as by shortcomings in risk management and corporate governance by the private sector. It has shaken many long-held assumptions about the functioning of markets and the role of governments, and as such has led to calls for changes to the global governance architecture and for the redefinition of the respective roles of the state and of markets, in order to restore citizens’ trust in both.

Governments around the world have heard these calls and are rethinking and reforming the public sector.

The task is critical. Governments are major players in most national economies. By most measures, they have significantly expanded their footprint during the last 50 years. In 1961, when the OECD was established, the general government outlays of member countries averaged less than 30% of GDP; the average now exceeds 45%, up from slightly more than 40% in 2007.

Public policies are the critical anchor of national economies as clearly demonstrated by the decisive and co-ordinated action by governments in the aftermath of the crisis. However, this action – as well as reduced revenues as output dropped – led to growing, and in some cases unsustainable, fiscal pressures. Fiscal consolidation should be accomplished in large part through a reduction in public expenditures. To avoid an excessive curtailing of public services, the state needs to be streamlined and made more efficient.

The efforts to restructure the state will necessarily include a reassessment of where and how government should intervene and where it can step back. In short, it is about better and more effective governance, about sound institutions and efficient rules and procedures as shown by our recent work on restoring public finances, and by our country reviews covering integrity, regulatory reform and e-government, among other topics.

In these stormy times, reforming the public sector is a policy priority and should be conducted on the basis of evidence and comparative analysis. With Government at a Glance, the OECD offers a unique source of internationally comparative data to help governments benchmark their performance. It provides insights into policy approaches and practical examples of what works and what does not. It also aims to inform public debate on public sector reform policies.

The 58 data sets of member and partner countries in this 2011 edition of Government at a Glance include:

● the first ever international comparison of public sector pay for selected professions and public service occupations, which points to a fairly egalitarian pay structure in the public sector;
● estimations of country-specific fiscal consolidation requirements, which have been found to be large in many countries. On average, an improvement of nearly 4% of GDP is needed from the fiscal positions in 2010 just to stabilise the debt-to-GDP ratio by 2026. In
addition, offsets of about 3 percentage points of GDP on average will have to be found over the coming 15 years to meet spending pressures due to ageing;

● the level of disclosure of private interests in the three branches of government; and

● the implementation gap of Open Government policies to promote transparency, efficiency and trust.

Restoring trust in government and in political leadership is critical for the progress of societies. The OECD supports governments in their search for reform and innovations in the public sector, including achieving better budget transparency, promoting integrity, improving public service delivery through new ways of public private partnerships, and strengthening effective regulation and international regulatory co-operation.

Angel Gurría
OECD Secretary-General