BOLD and HUMBLE

How to Lead Public-Private-Citizen Collaboration, with Five Success Stories

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With research assistance from Melissa Mahoney, Kinley Zam, Tshering Choden, Karma Wangmo, and Chimi Yuden

Royal Institute for Governance and Strategic Studies
Phuentsholing 21101, Bhutan
Telephone: 05-252447
e-mail: info@rigss.bt

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Advance Praise for *Bold and Humble*

"A true reflection of the author himself, Bold and Humble shares the inspiring convergence of well-meaning individuals and sincere efforts that yield fruits for communities. I believe that while good governance is about virtue, kindness, and compassion, it must also be about discipline and pragmatism built on the vision that transcends individual interests. That is where we must invoke collective actions. Such anecdotes and innovative means of collaborations prescribed in this book serve as a perfect reminder to dream bold because together, we can achieve so much!"

—Dr Lotay Tshering, Prime Minister of Bhutan

"A wonderful book. As always, Klitgaard writes great prose embedded with analysis and engaging examples. A truly useful global perspective and a pleasurable read."

—Harry Anthony Patrinos, World Bank, co-author of *Making Schools Work: The Role and Impact of Public-Private Partnerships in Education*

"I really loved this book. So fresh and thoughtful and enjoyable. It will be vital reading for all interested in or challenged by the demands of modern policy work."

—Matt Andrews, Harvard Kennedy School and Faculty Director of Harvard's Building State Capacity Program

"This engaging and informative book is both highly accessible to a wide range of readers and extremely useful for citizens and public servants who want to help solve problems and leave the world a better place."

— Jennifer Widner, Professor of Politics and International Affairs, Princeton University and Director of Innovations for Successful Societies

"Robert Klitgaard's new book is likely to be required reading for anyone on the journey to social impact, wherever in the world it might be."

—Paul C. Light, Goddard Professor of Public Service, New York University, author of *Government by the People: Structure, Action, and Impact*

"Bold and Humble is a lucidly written book on collaboration across government, business, and civil society at the local level. The author's globe-spanning experiences and keen insights into public sector governance clearly shine through."

—M Ramesh, President, International Public Policy Association, and UNESCO Chair Professor on Social Policy Design in Asia, Lee Kuan Yew School of Public Policy, National University of Singapore

"The most pressing problems facing the world today—from pandemics and environmental crises to economic inequities and political conflicts—require integrative approaches that extend beyond the traditional silos of public policy. In this new book, Robert Klitgaard presents a compelling vision for moving forward, one that requires leaders bold enough to tackle intractable problems, and yet humble enough to realize that they do not possess all the answers. Klitgaard's analysis and prescription are convincing, but what makes this book shine are the engaging and nuanced case studies, highlighting examples where civil society and the public and private sectors successfully worked together to tackle common challenges. Leaders around the world should read this book and follow the examples it lays out."

—Edward F. Fischer, Cornelius Vanderbilt Professor of Anthropology, Vanderbilt University

"A highly original study taking us deep into a set of successful public governance practices to derive important general lessons for leading and implementing cross-sectoral collaborations to tackle complex societal challenges. Written with poignancy and clarity, this book is a must for anyone looking for evidence-informed insights about what makes public collaborations tick."

—Paul 't Hart, Professor of Public Administration at Utrecht University, and editor of *The Oxford Handbook of Political Leadership* and *Successful Public Policy*

"With Bold and Humble, Robert Klitgaard proves again that he has his finger on the pulse. Laws and institutions are important, but too often we see them fail in bringing about change. Where they succeed, it is because of bold leaders who are driven by the common good, by communities and coalitions of people who are motivated by shared progress instead of competition, and by small stories that can trigger a wave of change. I sincerely hope his book will inspire many to realize these opportunities."

—Gretta Fenner, Managing Director, Basel Institute on Governance

"Robert Klitgaard delves into one of the most intriguing and important issues of succeeding with societal challenges of today and tomorrow: collaboration. He does so with to-the-point illustrations of what is important conceptually and with five unique case studies that clearly illustrate the 'engine room' of how successful collaborations can take place. The way the cases are presented almost makes you think that you were there yourself."

—Jacob Brix, Professor of Innovation and Management, Aalborg University Business School

"An insightful and inspiring look at how innovation can be driven by the collective intelligence that collaborations between people, governments, and entrepreneurs generate. This refreshing and engaging book delves into the magic reality of human intelligence as a force for good, a force for progress, reflecting Klitgaard's own unwavering belief in people. Its findings very much resonate with our own lessons at the OECD on the drivers of innovation in government."

—Carlos Santiso, Head of Division, Digital, Innovative and Open Government, Organisation for Economic Co-operation and Development

"An invaluable tool for teaching general principles and problems associated with public-private-citizen partnerships and policy implementation. The title, Bold and Humble, captures the spirit of Bhutan, the innovative country that inspired this work."

—William J. Long, Georgia State University, author of *The Tantric* State: *A Buddhist Approach to Democracy and Development in Bhutan*

"Robert Klitgaard brings both irrepressible optimism and a lifetime of experience at the interface of theory and locally grounded practice to his outstanding new offering. Bold and Humble is the very model for how to make insights from multiple fields accessible and actually useful to those trying to make innovation and cross-sectoral collaborations succeed on the ground."

—Scott Fritzen, Dean and Professor, David L. Boren College of International Studies, University of Oklahoma, co-author of *The Public Policy Primer: Managing the Policy Process*

"In a global context of citizen disenchantment with institutions and leadership, Bold and Humble is hopeful proof of the kind of response that citizens demand. The book invites us to reflect on the quality of public management and the value of transparency to leave no one behind. It is a call to action towards inclusion and inclusive growth in this new digitalized world."

—Gloria Manzotti, United Nations Development Programme, co-author of *Innovation, Resilience and Urgent Transformations Towards Inclusive Justice in Latin America and the Caribbean*

"Robert Klitgaard is a great storyteller. From his stories come valuable lessons that guide us in our endeavors. In this wonderful book he traces how difficult and seemingly impossible tasks came to fruition and how the policy process was driven by vision and good relationships."

—Adam Graycar, Professor of Public Policy, University of Adelaide, and Director of the Stretton Institute

"An invaluable new resource—not only for teachers and students, but for all looking for hope and inspiration at a time when both seem in short supply."

—Brian Levy, Professor of the Practice of International Development, School of Advanced International Studies, Johns Hopkins University, author of *Working with the Grain: Integrating Governance and Growth in Development*

"Refreshing! We live in a time where social media focus on the negatives, on what is wrong with public institutions, and on how bad public services are. Bold and Humble valiantly enlightens us that it is possible to improve governance and serves as an example that there are plenty of positives out there of public-private-citizens collaboration making significant contributions in the lives of people."

—Jairo Acuña-Alfaro, Team Leader in Governance for Latin America and the Caribbean, United Nations Development Programme

"The in-depth case studies that Robert Klitgaard offers us in a brilliant and lively style have in addition the rare merit of having as their heroes bold and humble public service leaders, this expression being usually an oxymoron, or an untraceable treasure."

—Jean-Pierre Olivier de Sardan, École des Hautes Études en Sciences Sociales, Marseilles, and author of *Anthropology and Development*

"A statement I made a couple of years ago is as true today as ever. Robert Klitgaard is one of those rare professors who harnesses rigorous academic inquiry to big human questions, making his writing both insightful and relevant. With each new work, Klitgaard further journeys far beyond the status of academic intellectual to the role of wise teacher from whom we can all learn."

—Jim Collins, author of *Good to Great*, co-author of *Built to Last*

Foreword

Collaboration is a buzzword, perhaps for the longest time, but oftentimes it remains at just that. In governance and public service, the need for effective collaboration continues to be underscored in countries and institutions around the world to achieve greater efficiency and better results, but the inability to collaborate in the manner we envisage remains one of the greatest challenges.

In Bhutan, recognizing the need to leverage collaborative efforts for nation-building, His Majesty The King has always emphasized the importance and need for the King, the government and the people to work hand in hand. In a Royal Address to the nation during the COVID-19 pandemic in 2020, His Majesty stated "As in the past, if we think and act as one, and exert our concerted efforts, we will surely overcome every obstacle and prevail against all odds."

Bhutan's 12th Five Year Plan (2018-2023) underpinned "coordination, consolidation and collaboration" as the key principles in the plan's formulation and execution. The Prime Minister Dr Lotay Tshering, in the foreword of the plan document, called upon "all Bhutanese as well as our development partners, civil society organizations, political parties, private sector and other stakeholders to work together to build a strong, secure and peaceful future for our nation".

It is in light of the common global challenge to collaborate, and the tremendous opportunity to do so, that Professor Robert Klitgaard's book *Bold and Humble: How to Lead Public-Private-Citizen*

Collaboration, with Five Success Stories assumes special importance. As the author rightly states in the book, the biggest problems facing societies around the world cannot be solved by the government alone, nor by the private sector or civil society organizations on their own. They need to work together and leverage the collective strengths of individual stakeholders to fulfill the larger common aspirations.

From policy tools to leadership insights, the book offers invaluable lessons that can make collaboration happen to solve seemingly difficult public-sector problems. Known for his special skills and outlook of drawing from success stories, the author demonstrates through five case studies how textbook lessons on public policy and collaboration could be realized in real life for problem-solving and public service. The cases are local but the lessons are global.

Bold and Humble itself is a result of collaboration. Guided and inspired by the leadership, experience and generosity of the author himself, several individuals and entities have contributed immensely to this work to whom we are sincerely grateful. We do hope that the book inspires collaboration around the world to make it a better place every day, for everyone.

Chewang Rinzin
Deputy Chamberlain to
His Majesty The King of Bhutan
Director, RIGSS

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Preface

Four Bhutanese and a Filipino walk into a bar, or rather, into a book. They've never met before. Soon they find out they have things in common. Things they may have in common with you and me, who are also present.

Two of them have been Dzongdas, a Bhutanese position akin to the chief executive of a district government, she of beautiful Tsirang (population 23,000) in south-central Bhutan and he of gorgeous Gasa (population 5000) in the high Himalayas of the far northwest.

One is the principal of a high school in the capital city of Thimphu. She has 1150 students and 64 teachers under her tutelage.

One, only in her twenties, has just returned from being the first-ever Economic Development Officer in Trashi Yangtse (population 20,000), a spectacular rural district in the northeastern corner of Bhutan.

The Filipino is the mayor of Mandaue City (population 350,000) on the tropical island of Cebu.

They each wear traditional clothing from their countries and regions. They seem so exotic, at least to me as an American. Fortunately, they're also wearing big smiles.

One of them says to you, "I wonder why the author has invited us here. What can we possibly have in common?"

The answer to that question is the subject of this book. Briefly, it's this. Their stories can teach us about one of the greatest challenges in public-sector leadership and management today, collaboration.

Yes, collaboration in teams within a given government agency. Yes, collaboration across various agencies. But our book focuses on collaboration across the boundaries of government, business, and civil

society. And each of our protagonists catalyzed partnerships in innovative ways that made a difference.

They acted locally on issues of more-than-local salience.

- Preserving and advancing indigenous cultures.
- Cleaning up public spaces and making them beautiful.
- Transforming education.
- Invigorating rural economies.
- Implementing new structures for popular participation and accountability.

They know that to address these problems and many others, government alone is not enough.

Nor, for that matter, is the private sector alone the answer. Nor civil society organizations alone.

If you share those inclinations—you want to help solve big public problems, and you're not sure that government, business, or nonprofit organizations can do it alone—join us at the bar. We won't be discussing ideologies here.

We also won't be waxing on about the undeniable importance of cultural settings or politics writ large. We will be delving into general issues through local examples, trying to draw out principles and practical guidance for our own endeavors.

I hope many readers will feel welcome. People from Bhutan and the Philippines, and also people around the world. (This is one reason why the publisher has generously made the book available online for free.)

Welcome to readers from many backgrounds and positions:

- Political leaders and civil servants.
- Leaders in business who practice "Corporate Social Responsibility" and especially those who go a bit further to "Create Shared Value."[1]
- Leaders and members of civil society organizations.
- Interested citizens.

A special word for students and teachers in fields such as public policy, public management, business, public health, education, environmental studies, tourism, and design. Each case study has discussion questions about halfway through. You might pause in your reading and answer them, and perhaps invite some of your friends to share their thoughts.

For academic colleagues who want to use this book in your courses: teaching notes are available with ideas about how to structure a session (or two) on each case. Just send me an email: robert.klitgaard@cgu.edu.

The book is written to be read from start to finish. But two colleagues, one a professor and the other an international civil servant, suggested reading chapter 1 and then the two conceptual chapters 3 and 6, before

getting started on the case studies.

If you're not a teacher or a student, please don't let these pedagogical points alarm you. This book isn't a homework assignment, and there's no exam. Instead, please read this book as if we were in that bar together with those five fascinating people sharing their stories.

1. Introduction

First, a word from our sponsor. Then we'll open it up for Q&A. (Admittedly, from me.)

"Progress on the most important challenges facing our communities and our world requires new collaboration across the public-private-citizen divide. *Bold and Humble* shows how to make it work. Activists and scholars will be inspired by the book's big ideas and engaging examples. For leaders, here are your marching orders: get out of your lane, but check your ego at the door."

Q: Why is public-private-citizen collaboration important?

Consider two propositions.

1. The biggest problems facing societies around the world cannot be solved by the government alone.

In no particular order of priority and without being exhaustive: taking advantage of scientific and technological progress for the benefit of all, managing natural resources, enhancing social integration, addressing early childhood disadvantage, changing lifestyles to promote health and well-being, managing banking and credit systems, arresting climate change, protecting ourselves from communicable diseases, and improving local, national, and international security. The proposition is this: progress in addressing these and other big issues will involve more and better partnerships (or collaboration) across government, business, and civil society.[2]

The case studies in this book deal with five of these big problems: cultural preservation, educational transformation, urban renewal, rural development, and "making governance a shared responsibility." They show how progress can be made through joint actions by the government, the private sector, and civil society.

2. Consequently, innovative leadership in government will often require collaborating with people and institutions outside of government.

Many valuable innovations occur within government agencies. For example, an agency may adopt new measures of performance, improve its systems of information and incentives, reorganize its functions, adopt new technologies, and train its employees.[3] All good, perhaps all necessary as the world changes.

This book's focus is different. It concerns innovations beyond the boundaries of a government organization. An agency goes beyond its usual scope of work to partner with another government agency, or more than one, on an event, project, or program. Or it collaborates with businesses or state-owned enterprises. Or with a civil-society organization. Or with all three: the case studies in this book involve government agencies, businesses, and civil society organizations in partnerships that accomplish more together than what any one of them could do alone.

Q: "Collaboration" is one of those words that can mean so many things or it can mean nothing at all. What exactly do you have in mind?

You're right: so many concepts, so little science, so few data.

Lots of words, for sure: public-private partnerships, collaborative governance, network governance, cross-sector collaboration, participatory governance, co-production, holistic governance, integrated governance, and interactive governance. "They all refer to multi-actor collaboration," say Carmine Bianchi, Greta Nasi, and William C. Rivenbark, "usually led by a public-sector organization aimed at building consensus among stakeholders on a formal set of policies designed and implemented to generate public value."[4] That's so general; what scholars and leaders really want is not available. We would love to have precise, agreed-upon concepts; a causal theory; valid and reliable data; and a model to estimate how much different kinds and degrees of collaboration affect desired outcomes in different contexts. And those "desired outcomes"? What should the goals include, and how should that be decided?

We don't have those things. Welcome to the real world.

We have instead some useful principles from common sense and elementary economics. Why partner? To supply needed goods and services—and often to mobilize demand for those goods and services among the citizens who need them. To take advantage of synergies, where one organization has excellent capabilities in one area, and another organization is superb in another domain. Later in the book, we'll examine many possible benefits of various kinds of cross-boundary collaboration.

It is also true that collaboration carries costs. There are the direct costs of the goods and services provided. Sometimes even more importantly, there are indirect costs and opportunity costs. When you are busy collaborating, you're not doing something more directly linked to the goals and metrics of your organization. There are frictions because different agencies and sectors have different objectives, procedures, and metrics. Because of these and other costs, employees resist collaboration. Many attempts at collaboration fail because their leaders mistakenly assume that their employees will gladly join in. It turns out that preparing our own organization for partnering—motivating our own employees—is a first-order task for leaders of cross-sector innovations.

If we are trying to catalyze a partnership, we have to imagine the hopes and fears of each potential partner. How does each one of them envision and measure the possible benefits and costs?

What about society's perspective? When are partnerships desirable? In the same simple metaphor, when their benefits to society outweigh their costs to society. This book shows how conceptual models and real-world examples can help us understand when public-private collaboration will work and why. The goal is that they will help us when we consider our own challenges in our own unique settings.

Q: In what ways can public-private collaboration take place?

There are many ways and means of collaboration. It can involve an event. For example, carrying out an event as big as the Olympic Games requires many government agencies, private businesses, and citizen organizations to work together. Of course, the events can be much smaller. In this book, we'll examine the creation of a highly successful cultural festival in the high Himalayas.

Collaboration can involve a joint project or program. This is usually bigger than an event—longer lasting, at least. For example, when a city decides to beautify its central area, it may begin with a clean-up event that graduates into a persistent program of renewal and maintenance. In the case we'll study, a beautification movement spread from a small city in Bhutan throughout the district and then to the country as a whole.

Collaboration can involve something like adding a line of business. For example, we'll consider the case of an innovative high school that created a teaching laboratory to design high-tech items like robots and sensors. The school lacked the skills, materials, and resources to do so, so it partnered ingeniously with the private sector.

Public-private collaboration can be assigned to a particular position or office in government. For example, we will study the creation of the

new job of Economic Development Officer for rural areas of Bhutan. This position had an exciting and far-reaching mandate: to combine the resources of various government agencies and public enterprises with local businesses, craftspeople, and citizen groups. In other words, to catalyze collaboration.

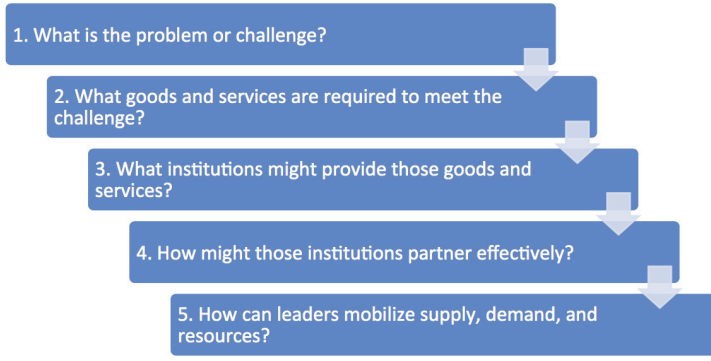
Sometimes public-private-citizen collaboration involves structural changes, which may extend to creating new institutions within government and new partnerships across the divides of government, business, and civil society. We'll study how a mayor led remarkable reforms on a tropical island in the Philippines.

Q: These case studies are so exotic. What can we take away from such far-flung examples, especially if we are in another country with other problems?

Like all case studies, those in this book are place- and time-specific. Each one shows how a particular leader catalyzed collaboration across the public-private divide. How leaders began by diagnosing the problem with a hard head and an innovative vision. How they analyzed the goods and services that would be needed. How they conceptualized possible collaborative solutions, then explored them with potential partners. How they overcame reluctance within their own agency. How they involved citizens in designing and implementing change.

Using these examples, the book shows how to work through the five steps in Fig. 1.1.

Figure 1.1. Steps in Leading Innovation across the Public-Private-Citizen Divide



Q: Earlier, you said these are "success stories." In what sense did the leaders in these case studies succeed?

Did they "solve" the perennial challenges of cultural preservation or urban renewal or educational transformation or local economic development? No. (An aside: these challenges are perennial precisely because they cannot be "solved.")

But the innovations we will study led to tangible improvements in people's lives. And these innovations can educate us as we contemplate our own different challenges in our own unique settings. From these case studies, we can discern methods and guidelines. And we can be inspired by these examples of bold and humble leadership.

Q. Why "bold and humble"? Isn't that a contradiction?

You're right, it is a rare combination.

Here are some synonyms for bold: courageous, intrepid, audacious, imaginative, valiant, heroic.

And here are some synonyms for humble: modest, respectful, self-effacing, down-to-earth.

Being both bold and humble is extraordinary. But consider this characterization of highly effective leaders: "The most powerfully transformative executives possess a paradoxical mixture of personal humility and professional will. They are timid and ferocious. Shy and fearless. They are rare—and unstoppable."[5]

The author of these lines, Jim Collins, could have put it this way: "Highly effective leaders are bold and humble."

Figure 1.2 shows how what Collins calls "Level 5 Leaders" are distinctive. Note their "paradoxical blend of personal humility and professional will."[6]

Figure 1.2. Jim Collins' Five Levels

So, yes, *bold and humble* is a rare combination. But it's such a powerful one. What are people who combine boldness and humility like? "There's an urgency about them," notes Tim Keller, "there's a solemnity about them, there's almost a kind of nobility about them, but there is no pompousness, there's no crankiness, there's no condescension, there's no self-importance, there's an ease about them."[7]

Box 1.1 gives an example.

Box 1.1. Bold and Humble Royal Leadership in Bhutan

At his coronation in 2008 as the Druk Gyalpo, His Majesty Jigme Khesar Namgyel Wangchuck said:

"It is with immense gratitude and humility that at this young age, I assume the sacred duty to serve a special people and country. Throughout my reign I will never rule you as a King. I will protect you as a parent, care for you as a brother and serve you as a son. I shall give you everything and keep nothing; I shall live such a life as a good human being that you may find it worthy to serve as an example for your children; I have no personal goals other than to fulfill your hopes and aspirations. I shall always serve you, day and night, in the spirit of kindness, justice and equality."

That is *humility*.

And here is *boldness*:

"As the King of a Buddhist nation, my duty is not only to ensure your happiness today but to create the fertile ground from which you may gain the fruits of spiritual pursuit and attain good Karma . . .

"The future of our nation depends on the worth, capabilities and motivation of today's youth. Therefore, I will not rest until I have given you the inspiration, knowledge and skills so that you not only fulfill your own aspirations but be of immense worth to the nation. This is my sacred duty. A strong motivated young Bhutan guarantees a robust bright future.

"The future is neither unseen nor unknown. It is what we make of it. What work we do with our two hands today will shape the future of our nation. Our children's tomorrow has to be created by us today.

"I end with a prayer for Bhutan—that the sun of peace and happiness may forever shine on our people. I also pray that while I am but King of a small Himalayan nation, I may in my time be able to do much to promote the greater wellbeing and happiness of all people in this world—of all sentient beings."[8]

Q: Why do leaders of collaboration have to be bold and humble?
They must be bold in their vision and analysis.

"We can't do what's needed on our own. We need to combine forces with other agencies and businesses and civil society organizations. This means we have to get outside our comfort zones. We have to work across the usual boundaries of government, business, and civil society. We have to lead in the sense of enabling us all to work better for a common cause."

This is anything but business as usual for leaders in government—or in business or civil society, for that matter.

At the same time, those who lead collaboration must be humble in how they work with those inside and outside their organizations. Not surprisingly, people often resist collaboration, at least at first. Partnering takes each agency outside its comfort zone, introduces uncertainties, and maybe even creates a kind of culture shock. "It looks like extra work—and why? That's not our job."

Effective leaders understand the resistance and they listen and learn. Then they show how collaboration can help individual employees as well as their institutions, in terms of their objectives.

Leading collaboration is not about giving orders. It takes humility to recognize when we can't tell people what to do—not the recipients, not our colleagues and employees, and certainly not people from other agencies, the private sector, and civil society organizations.

In these cases, leadership is not just about declaring a glorious purpose or showing how working together will help the country or the citizens. It's about participatory leadership, where eventually all the partners get to see how they and others can make a difference to an important problem—and how collaboration can help each partner according to their institution's goals and metrics.

This book also aspires to boldness with humility.

It is bold, perhaps, to wish that a book might inspire current and future leaders in Bhutan—and in many other countries, including my own—to reimagine their callings and ways of working. Bold to suggest that case studies from idiosyncratic settings might resonate in many venues—and that people working in diverse academic fields might also find them helpful. Clifford Geertz once said that detailed examples—in his case, ethnographies—present theorists "with bodied stuff on which to feed. The important thing about the anthropologist's findings is their complex specificness, their circumstantiality."[9] Elsewhere he recommended "a constant dialectical tacking between the most local of local detail and the most global of global structure in such a way as to bring them into simultaneous view."[10] In this same spirit, I hope people from many

disciplines might profit from the exotic examples presented here.

This book is humble in many ways. It presents what I hope are useful concepts and steps, but not at all as rigid templates. The case studies are offered not as blueprints but as inspirations. Please consider them in the spirit of the clothing designer Denise Benítez.

Once, I visited a museum of wearable art with her. She loved the various examples, most of which simply baffled me. After a while, I wondered what Denise was taking away from the exhibit.

Was she picking up techniques or styles to copy? I asked. No, she said. Were the pieces on display analogous to data points in some general theory of design that she was developing? No, not at all, she laughed.

What, then? Denise paused and pondered.

"Well, it's like this. I look at each piece carefully. I try to imagine what problem the designer was trying to solve. Then I see how he or she solved it. And that gives me . . . *ideas*."

2. A Cultural Festival for the Highlanders

In 2015, when Dorji Dhradhul became the Dzongda [the chief executive, often translated as governor] of the Dzongkhag [district] of Gasa, he received an audience with the King of Bhutan, His Majesty Jigme Khesar Namgyel Wangchuck. During the audience, the King expressed concerns about threats to the lifestyles of the highlanders of Bhutan, including the Layaps of Gasa.

Gasa is one of the most remote and beautiful places in Bhutan—indeed, in the world. It is impoverished but has an irreplaceable cultural heritage. The survival of the Layaps is threatened by their small numbers—there are only about 1100 of them—and by challenges to their traditional economy of yak herding.

True, there had been promising economic developments in the highland Himalayas. The harvesting of cordyceps was booming. (See Annex 2-1.) Cordyceps is a protected species around the world and in Bhutan. But years before, the King had made an exception for the highlanders, given their harsh living conditions. They were allowed to harvest cordyceps at certain times of the year. And this exception greatly improved their incomes.

But an unintended consequence was on His Majesty's mind. As the highlanders focused more and more on cordyceps, they devoted less and less attention to their traditional, yak-based economy. Furthermore, the King was exploring the effects of climate change on Bhutan's glaciers and mountain lakes. He worried about the long-term viability of cordyceps, which are harvested at altitudes between 4200 and 5200 meters.

Dorji later recalled the King saying, "We need to do something about this,"

posing two questions: "How can we revive yak farming? How can we help these people who are living in such a difficult environment?"

The King also floated an idea: a cultural festival that would celebrate the diverse people of the far north of Bhutan. Such an event would stimulate tourism and commerce in their areas.

"Perhaps you could think of organizing some cultural festivals in the highlands," the King suggested.

Dorji Dhradhul took this idea to heart. He immediately started pondering what a highland festival might try to do, how to involve the Layaps, and how to develop a plan.

Introducing the Dzongda

Dorji Dhradhul earned his bachelor's degree in agriculture science at the University of Peradeniya in Sri Lanka and a master's in agricultural extension and rural development at the University of Reading in the United Kingdom.

He served for twenty years in the Ministry of Agriculture and Forests. He was the Founding Director of the Department of Agricultural Marketing and Cooperatives. From 2010 to 2014, he was the first Registrar of Cooperatives of Bhutan. In 2015, he became a De-suup (Guardian of Peace).[11]

He is also an author. Dorji had published articles in the newspaper, *Kuensel* as well as several research papers. Under the pseudonym Doji Dhratyul, in 2013 he published a 590-page novel entitled *Escapades Awakenings: A Novel from The Kingdom of Happiness BHUTAN … The Last Shangri La on Earth.*[12] The novel's cover states:

> The book presents a uniquely different take on life in Bhutan, moving beyond the clichéd descriptions and traditional tales to lift the veil of misty romanticism and offer a glimpse into the stark realities of its society. Peopled with strong characters and spanning three generations, the novel *Escapades* portrays the harsh conditions, especially in the life of its womenfolk and children, as they deal with the shocking and tough conditions to eke out a survival in the beautiful but inhospitable mountainous terrains.

So, the new Dzongda knew agriculture, and he knew a lot about rural Bhutan. But Gasa was something new. So were cultural festivals.

Cultural Festivals[13]

Around the world, festivals are known to boost tourism and enhance cultural activities. "The best thing about being involved with festivals and events is the opportunity to help build a community, foster a sense of pride within a community, and engage a community," a business consultant in the United States noted. "Honestly, in my professional career, I've never found something outside a community festival that can do that to the same degree."[14]

But planning such an event involves a daunting set of activities. A six-week online course on Festival and Event Management lists these tasks:

1. Create a business plan for the festival.
2. Create and implement site-management strategies. In the case of Laya, the site is almost completely unprepared for tourists: no road, no electricity, no hotel and virtually no homestays, no restaurants, and few modern toilet facilities.
3. Create and execute marketing strategies and messaging.
4. Manage a festival's financial health and sponsor relationships.
5. Oversee the recruitment, management, and retention of staff and volunteers.
6. Evaluate satisfaction among attendees and other stakeholders.[15]

It was clear to Dorji that neither he nor the Gasa Dzongkhag Administration had the knowledge and skills to design and implement a highland cultural festival.

Gasa

Gasa is one of Bhutan's twenty Dzongkhags (often translated as "districts").[16] Located in the north-western corner of the country, Gasa borders the Tibet Autonomous Region of the People's Republic of China in the north and, in the south, the districts of Thimphu, Punakha, and Wangdue Phodrang. Two of the four gewogs[17] in Gasa, Laya and Lunana, are very much highland.

Gasa is Bhutan's second-largest Dzongkhag in total area—about 3,081.77 square kilometers—and the smallest in terms of population—fewer than 5,000 people. Gasa features the country's highest mountain, Gangkhar Puensum (elevation 7,570 meters), which is also the highest unclimbed mountain in the world.

Gasa


Kangmar
N
W
E
S
XizangZizhiqu(Tibet)
Laya
Lingshi
Gasa
Tamji
Tseshinang
Punakha
Kencho
Thimphu
Shegarfe
Dawakha
maphill

Most elevations in the district range between 1,500 and 4,500 meters. Gasa has hundreds of glaciers and glacial lakes and is the source of several rivers. About two-thirds of the district is under forest cover. Gasa includes the second-largest national park in Bhutan.

The district is home to four of Bhutan's national symbols: the national animal, the takin; the national flower, the blue poppy; the national bird, the raven; and the national tree, the Bhutan cypress.

In 2020, the district had only one doctor and no full-fledged hospital. There were two higher secondary schools and two primary schools. Although only about three-quarters of the population have "rural water supply coverage," over 98 percent of the population was said to have access to safe drinking water and "improved sanitation."

One of the notable things about the district is Gasa Tshachhu (hot spring). This hot spring lies beside the Mo Chhu River, about a two-hour walk downhill from Gasa town. Its mineral-rich waters provide relief for rheumatism, arthritis, ulcers, indigestion, skin diseases, and other ailments. It attracts more than 8,000 visitors annually.

The Highlands in Bhutan

In mountainous environments, the alpine zone begins where trees no longer grow and ends where the snowline begins. In the Alps in Europe, the alpine zone starts at an elevation of about 1500 meters. Bhutan's alpine zone begins at about 4,000 meters, so trees grow at much higher altitudes than in Europe. The subalpine vegetation of stunted fir, spruce, and junipers gradually gives way to dwarf rhododendrons and other shrubs, flowering plants, and herbs in alpine meadows. The habitat also features many animals, such as pikas, marmots, blue sheep, musk deer, takins, snow leopards, and yaks.

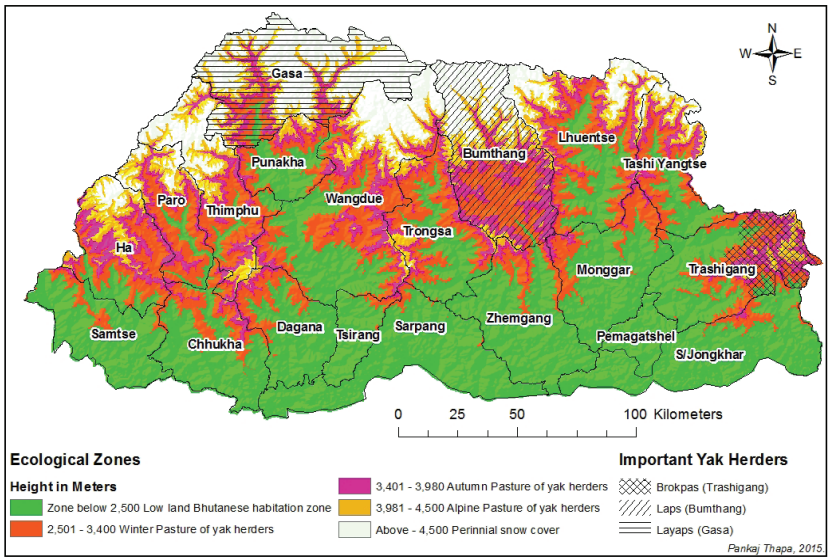
Bhutan's alpine meadows create wide pastures for yaks to graze (see Fig. 2.1). Traditionally, highland life is deeply interwoven with livestock, mostly yaks but also sheep and horses. Having many animals symbolizes wealth and power. Yaks are a key source of milk, meat, and wool. Yak butter is consumed with salty tea to help highlanders mitigate the mountain cold.

When the collection of cordyceps was legalized, it was hoped that this would not interfere with the yak economy. After all, cordyceps could only be collected legally in June, between the melting of the snow and the beginning of sporulation in the cordyceps. But in places like Laya, the timing was difficult for yak herders. This was exactly when they migrated with their yaks to higher grounds. As a result, in most years Layaps only

got two weeks of harvesting time instead of a full month.[18]

As the price of cordyceps rose, harvesting them became so lucrative that some highlanders abandoned animal rearing completely. Some yak herders estimated that one season of collecting cordyceps earned them as much money as rearing 50 yaks once did.[19]

Figure 2.1. Alpine Zones and Yak Herders in Bhutan



Source: Pankaj Thapa, used with his permission

Laya and the Layaps

The Layaps are semi-nomadic population numbering only about 1,100 people. Their principal village, Laya, lies at an elevation of 3,800 meters. In the winter, Layaps migrate down to warmer places such as Punakha and then move back to Laya when summer approaches.

The Layaps have a rich culture and traditions. They speak Layakha. Layaps refer to their homeland as Be-yul, "the hidden land." Women wear black yak-wool jackets and black ankle-length skirts with vertical brown and orange stripes. Their distinctive conical hats made of bamboo are adorned with a pointed spike at the top and, in the back, thirty or more strands of white, red, orange, and blue beads.

A Layap woman and her yak in full regalia

The Layaps have lagged in conventional measures of development. Laya had one lower secondary school, one extended classroom, and one basic health unit. In 2015, when Dorji took office, Laya had no electricity; it arrived in 2016.[20] In 2019, when he left office, there was still no road to Laya.

The new Dzongda visited Laya early in his tenure. He was charmed. He quickly decided that despite the logistical challenges, this exotic, far-flung village and the nearby area of Langothang would be an excellent venue for the festival.

Obviously, he realized, the Layaps would have to own the event, culturally and in terms of preparing the site for outside visitors. Laya was their home turf. They would have to shape the contents of the festival. They would also be the ones to provide homestays, help supply and prepare food, help construct toilets, and provide horses and ponies for transportation up the difficult trail from Gasa.

Dorji consulted with the Layaps. They expressed enthusiasm for the idea of a festival celebrating their culture. They had ideas about what a cultural festival might include. But they were reluctant to offer help.

"There would be a lot of physical activities to be done, and there the Layaps were not so keen," Dorji recalled. "The moment we asked them

to come, they asked for compensation, and we were not ready for it. We were trying to say that 'this is for your Gewog, we are doing it on the command of His Majesty, it is for your good, at least you need to participate as a labor contribution to do things.'"

Dorji told his colleagues in the Gasa Dzongkhag about the Layaps' reluctance. These civil servants reacted negatively. In effect, they said, "If the Layaps are not interested in doing what's needed for their festival, why should we do it?" The civil servants already had many things to do, and they didn't know anything about festivals. They, too, were reluctant.

Dorji's Dilemmas

The new Dzongda tried to think through the opportunities and the challenges. In the evenings, he talked things over with his wife Deki Wangmo, who had studied public policy at KDI School of Public Policy and Management in Korea and had worked at Bhutan's Ministry of Labour and Human Resources. In the back of his mind, the new Dzongda wondered how a cultural festival might be part of an exciting new start, perhaps a new image, for Gasa.

Imagine you were joining in their conversations.

1. What should a highland cultural festival include, and how should that be decided?
2. What could Dorji do to involve the Layaps and the civil servants of Gasa?
3. What would a cultural festival require? What expertise? What resources? Who might provide them?
4. The Gasa Dzongkhag Administration had no budget for the festival. How should Dorji try to raise the needed resources?

Annex 2.1. The Allure of the Cordyceps

Cordyceps [locally known as yartsa gunbu] is the name of a parasitic fungus that attacks several kinds of insects, most notably caterpillars. The fungus germinates in the living larva, kills and mummifies it, and then a dark-brown, stalk-like fruiting body—just a few centimeters long—emerges from the corpse. Also known as caterpillar fungus, cordyceps are only present at altitudes between 4,000 to 5,000 meters in some parts of Bhutan, Nepal, India, and China.

Harvesting the cordyceps is a lengthy, specialized process. Clambering around a rocky hillside at high altitudes requires rare agility and hardiness. When you find a cordyceps, you carefully extract the fungus from the ghost moth caterpillar and then gently cleanse it without damaging its structure. Once collected, cordyceps are sorted by quality and usually auctioned off to exporters.[21]

Why is the cordyceps so valuable? An academic review article explained that the cordyceps "is known for various nutraceutical and therapeutic potential, such as anti-diabetic, anti-hyperlipidemia, anti-fungal, anti-inflammatory, immunomodulatory, antioxidant, anti-aging, anticancer, antiviral, hepato-protective, hypo-sexuality, cardiovascular diseases, antimalarial, anti-osteoporotic, anti-arthritic, cosmeceutical etc. which makes it a most valuable medicinal mushroom for helping in maintaining good health."[22]

In the Himalayan area of Sikkim, traditional healers use cordyceps for the treatment of 21 ailments, including erectile dysfunction.[23]

The cordyceps expert Daniel Winkler writes: "The recent incredible economic success of *yartsa gunbu* in China cannot be solely explained by a perception perpetuated by superficial journalists who call this fungus-insect complex the 'Himalayan Viagra' … the health benefits of '*dongchong xiacao*'—a literal translation of the Tibetan name *yartsa gunbu*, are perceived as extremely far reaching. It is regarded as a super tonic stimulating function of kidney, liver, heart and lung. As if all of this were not sufficient, a key benefit is restoration: providing energy to an exhausted organism—an olden day's use; speeding up recovery in patients that have been seriously sick for extended periods."[24]

Winkler also points out the display uses of cordyceps: "Besides the medical aspect, *yartsa gunbu* is also a prestigious culinary specialty, driving up the prices, especially of the biggest specimens. A single *yartsa gunbu* can retail for US$25–40, and a pound might sell for US$30,000–40,000, thus pricier than gold! As a Chinese tycoon you would subtly show off your wealth by serving a duck or goose stuffed with '*chongcao*,' worth several thousand yuan." (Winkler, 54).

3. Practical Interlude I: Goods and Institutions

In thinking through the dilemmas of creating a cultural festival for the highlanders of Bhutan, Dorji Dhradhul might follow a sequence of questions.

1. What is the opportunity, challenge, or if you will, problem?
2. To make it happen, what types of goods and services are required?
3. What institutions might provide those goods and services?

This chapter provides some guidance for addressing these basic questions.

Types of Goods

First, some terminology. "Goods" refers to things that satisfy people's needs and desires. (Alas, not all goods are good in an ethical sense.) Goods can be physical objects, services, or intangible benefits such as public safety or beautiful surrounding. Virtually anything is a good in this sense if it is perceived by its user to offer a benefit.

We can distinguish goods along two axes: how the good is consumed and whether a supplier can easily exclude non-paying consumers from using it.

Rivalrous

Consider two kinds of goods. One is an individual good. Think of an apple. If you take that first bite, I can't. You and I may share an apple, but only one of us can enjoy each bite. Similarly for a piece of clothing or a bicycle or a cell phone. At any given time, only one of us can individually wear it, ride it, or make a call on it. Common examples of individual goods are food, clothing, electronic devices, cars, plane tickets, and houses.

Economists call such goods "rivalrous." This is an awkward term in a sharing culture like Bhutan's, and it seems misplaced. If you and I are "rivals" for the good, why blame the good by calling it "rivalrous"? But you get the idea. The point is that if one person consumes a rivalrous good, another person cannot do so simultaneously.

A second kind of good can be consumed jointly. It is "non-rivalrous." If you consume it, it doesn't take anything away from me—I can consume it simultaneously. Imagine a beautiful view—say, from Laya toward the snow-capped Himalayas. You look at it and sigh; I look at it and gasp (we both are impressed). Unlike an individual good, we can both consume it simultaneously.

Other examples of jointly consumed or non-rivalrous goods are fresh air, a radio broadcast, the provision of a safe village, and monks praying in the morning for the welfare of our world. If you benefit from them, it takes nothing away from my benefiting from them, too.[25]

A good is non-rivalrous if, for any level of production, the cost of providing it to an additional consumer is zero. Once a radio broadcast or fresh air or village safety is made available, it costs nothing to add an additional consumer. Not so for apples or bicycles—if we want to add another consumer, we need to produce another apple or bike. Most individual or rivalrous goods are tangible; most jointly consumed or non-rivalrous goods are intangible.

Goods and services can be placed along a consumption continuum from the individual through joint consumption. Before looking at that continuum, consider a second dimension: excludability.

Excludable

Can the provider of a good or service restrict who uses it? For many goods, the answer is yes. "Excludability" is defined as the degree to which a good can be restricted to only paying customers. Putting it differently, how well can a producer or a government prevent people from consuming the good without paying for it?

Now put the two dimensions together. One dimension is whether the consumption of the good by one person reduces what is available to another person. The second dimension is how easily any person can be excluded from consuming the good once that good is produced. The answers to those questions then produce four different kinds of goods (see Table 3.1).

Table 3.1. Four Categories of Goods

Rivalrous? \ Excludable?	*Yes*	*No*
Yes	**Private Good** Food Clothes Bicycles	**Common-pool Good** Fish in a sea Timber in a forest Irrigation canals
No	**Toll Good** Cable TV Tunnel Uncongested toll roads	**Public Good** Rule of law National defense Knowledge

1. Private goods (or individual goods) are rivalrous and excludable.
2. Public goods (or collective goods) are non-rivalrous and non-excludable
3. Toll goods (including what are called club goods) are non-rivalrous and excludable.
4. Common-pool goods are rivalrous and non-excludable.

For *private goods*, like groceries or automobiles, the answer to both questions is yes. If I buy a car, you can't buy it too. But both of us can easily be denied the chance to buy it if, for instance, our friend who owns it refuses to sell. It is rivalrous and excludable.

For *public goods*, the answers to both questions are no. Once these goods,

such as national defense or clean air, are provided, your access to them does not diminish mine, nor can you or I be excluded from enjoying the benefit.

For the two other goods, the answers are mixed.

Toll goods are non-rivalrous but excludable. Once they are built, we can jointly consume goods such as toll roads or many public utilities. Below some limits of crowding or overuse, your consumption does not diminish my ability to benefit. But it is possible to restrict our consumption—we have to pay a toll to get on the road, and pay our sewage bill to become part of the system.

In *common-pool goods*, my consumption does subtract from yours, and neither of us can easily be excluded. For example, in a large lake, a fish caught by one of us is no longer accessible to anyone else; the fish are rivalrous goods. But because property rights on the lake are hard to define and enforce, it is difficult to restrict access, and overfishing may result. The term "tragedy of the commons" is often applied to common-pool goods.[26] Each person will be tempted to overuse the resource, and the result can be unsustainable fishing practices, too many trees cut down for forest health, an overgrazed pasture and so forth.

We can broaden the analysis by considering degrees of rivalry and excludability. Figure 3.1 arrays a variety of goods and services along the two dimensions of rivalrous (from independent to joint consumption) and excludability (from feasible to infeasible).

Types of Institutions

Now to a second question. For each of these various types of goods, what institutions might best provide them?

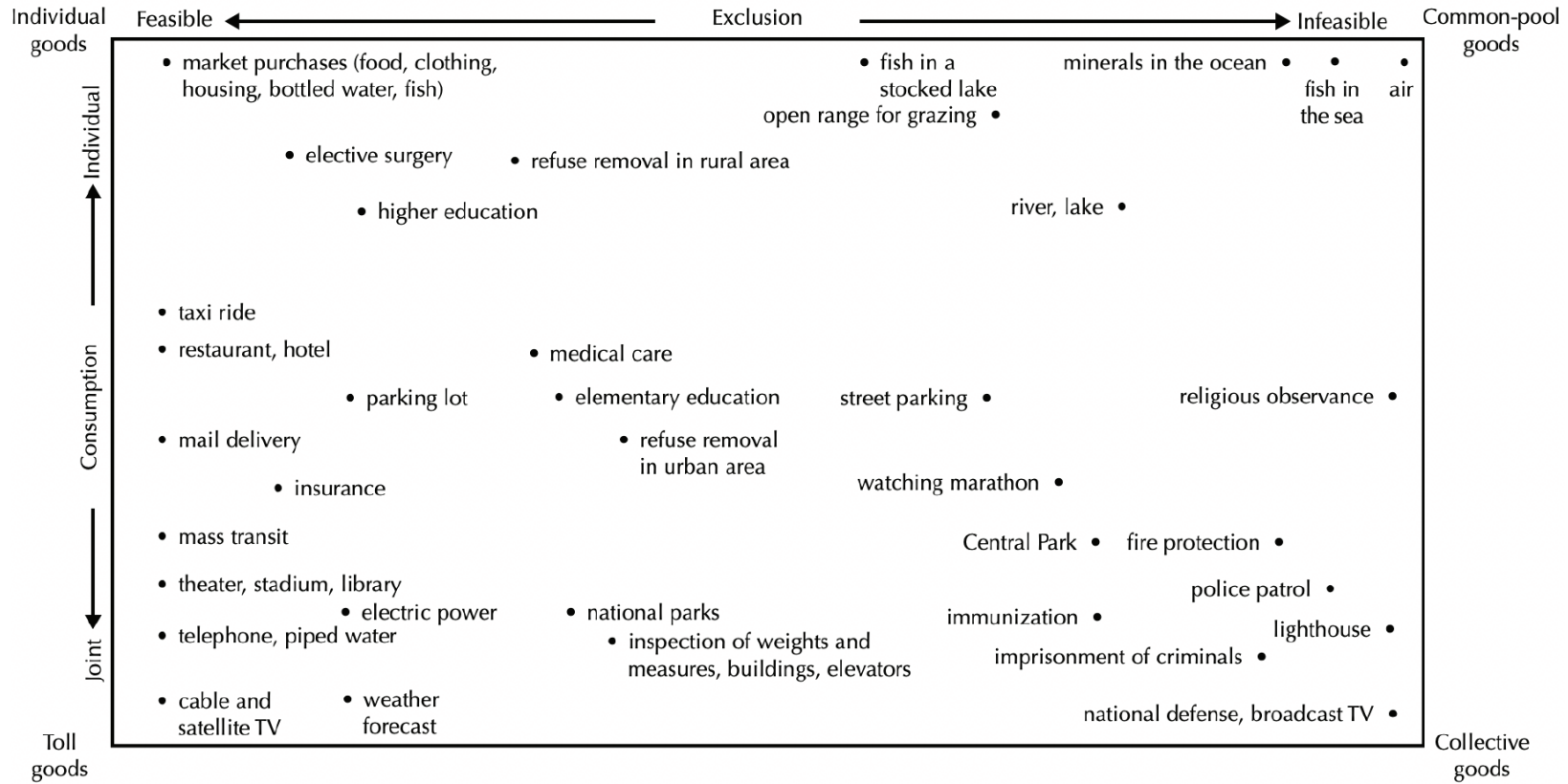
Again, an abstraction provides guidance. Imagine three kinds of institutions:

- The private sector - This consists of for-profit companies small and large.
- The public sector - Government at the local, regional and national levels.
- Nonprofit organizations, including civil-society organizations.[27]

In most countries, the provision of *private goods* is left to the private sector. This does not mean that government is absent, because there are taxes and sometimes subsidies that affect consumption and production. But the making and marketing of most private goods are carried out by private companies small and large.

In most countries, *public goods* are supplied directly or funded by the government. Because public goods are not excludable, even if the provider of a public good charges a price, many people will be tempted

Figure 3.1. Types of Goods and Services



Savas. 2000. Privatization and Public-Private Partnerships. New York: Chatham House.

not to pay. This is the problem of "free riders." Even when all citizens want a public good (though perhaps not to the same degree), most people would prefer that their fellow citizens pay for it but avoid paying themselves. The total number of voluntary contributions will produce too little of the public good. Consequently, governments provide public goods and pay for them by levying taxes.

What about *common-pool resources?* The tragedy of the commons lurks, where each person overuses the common-pool resource and, in the limit, destroys it. In response, common-pool resources may be privatized, say by trying to create property rights over portions of the sea or each tree in a forest or every square meter of a pasture. In other cases, governments try to protect and guarantee the value of common-pool resources by taking them over through state monopolies. Alas, governments often find that fighting overuse is difficult, and economic pressures to exploit the resource may corrupt the government's administration of the resource. Enforcement is a challenge even in advanced countries like Iceland.[28]

Enter civil-society organizations. At the local level, they have comparative advantages in knowledge, credibility, and enforcement. They know the watershed, the forest, the pasture lands—and the people in the communities who rely on those common-pool resources. CSOs are credible in brokering agreements about the use of resources and in setting up and administering the rules. They may organize the monitoring of the agreed-upon rules. Especially in the case of indigenous CSOs, they may have unique information about the use of the common-pool resource and unique ways to enforce the rules. Consequently, we often see CSOs deeply involved in the provision of common-pool resources.

Mixtures of Goods and Institutions

In each case, "pure" provision is unlikely. For example, businesses are regulated in their production and marketing of private goods and services. Governments often use the private sector and civil-society organizations to help them supply public goods. CSOs often rely on governments to legitimate their roles in managing common-property resources and to undergird enforcement.

And so, in practice we see mixtures of these three kinds of institutions to provide goods and services. Here are some examples.

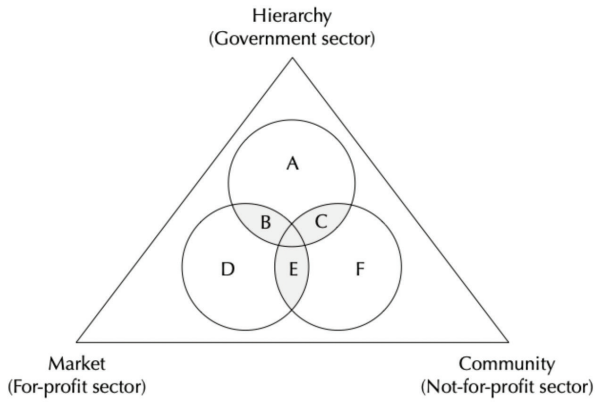
The Picciotto Triangle

The former head of evaluation at the World Bank, Robert Picciotto, placed the three kinds of institutions at the corners of a triangle (see Figure

3.2). He noted how each of the three institutions has a comparative advantage in the provision of three different kinds of goods.

He went further, adding partnerships between the three corners. Picciotto placed "toll goods" between the private and public sectors. Then he added two other kinds of goods to the picture, one between the public sector and CSOs and the other between the private sector and CSOs.

Figure 3.2. Putting Together Goods and Institutions



	Type of Good	Type of Institution	Examples
A	Government	State agencies	Justice, police
B	Toll	Public or regulated private corporations	Public utilities
C	Public	Hybrid organizations	Policy, rural roads
D	Market	Private corporations, farmers, and entrepreneurs	Industry, farming, many services
E	Civil	Non-governmental organizations, private voluntary organizations	Public advocacy, professional standards, civic action
F	Common pool	Local organizations, cooperatives	Natural resource management

Based on Robert Picciotto. 1995. Putting Institutional Economics to Work: From Participation to Governance. Discussion Paper 304. Washington, DC: The World Bank.

Even More Kinds of Collaboration

Other mixtures and hybrids are possible. Within a given category—say, health or housing or transportation—different institutions may provide

different kinds of services. These services can be substitutes or complements. As a result, different subsets of public, private, and citizen services can co-exist and sometimes blend.

Table 3.2. Types and Degrees of Partnerships in Municipal Services

Type of Partnership (or Not)	Education	Police Protection	Streets and Highways	Parks and Recreation	
Government service	Conventional public school system	Traditional police department	Municipal highway department	Municipal parks department	
Government vending	Local public school accepts out-of-district pupil and is paid by parents	Sponsor pays city for crowd control by police at concert	Circus pays town to clean streets after parade	Sponsor pays town to clean park after company picnic	
Inter-governmental agreements	Pupils go to school in the next town; sending town pays receiving town	Town buys patrol services from county sheriff	County pays town to clean county roads located in town	City joins special recreation district in the region	
Contracts	City hires private firm to conduct vocational training program	City hires private guard service for government buildings	City hires private contractor to clean and plow city streets	City hires private firm to prune trees and mow grass	
Franchises				Firm is authorized to operate city-owned golf course and charge fees	
Grants	Private colleges get government grant for every enrolled student				
Vouchers	Tuition voucher for elementary school, GI Bill for college				
Free market	Private schools	Banks hire private guards	Local merchant association hires street cleaners	Commercial tennis courts and golf driving range	
Voluntary Service	Parochial schools	Block association forms citizens' crime-watch unit	Homeowners' association hires firm to clean local streets	Private tennis club and fitness center	
Self-service	Home schooling	Install locks and alarm system, buy gun	Merchant sweeps sidewalk in front of his shop	Swimming pool at home	

Table 3.2 displays many types of services along a spectrum from fully public provision to fully private provision—with what might be called degrees of collaboration in between.

	Hospitals	**Housing**	**Refuse Collection**	**Transportation**
	County hospital	Public housing authority	Municipal sanitation department	Public transit authority that runs bus service
			Stores pay town to collect their solid waste	Company hires city bus and driver for a special event
	City arranges for residents to be treated at regional hospital	Town contracts with county housing authority	City joins regional solid-waste authority	City is part of a regional transportation district
	County hospital hires firm for cafeteria service	Housing authority hires contractor for repairs and painting	City hires and pays contractor to collect garbage	School board hires bus company for pupil transport
			City franchises private firm to collect garbage and charge residents	Government gives company exclusive right to operate bus service
	Government grant to expand nonprofit hospital	Grant to private firm to build and operate low-income housing	City charges user fee but subsidizes elderly and low-income households	Government subsidizes bus purchases for private bus firm
	Medicaid card permits holder to get medical care anywhere	Voucher enables low-income tenant to rent any acceptable, affordable unit		Transportation vouchers for elderly and handicapped to use for taxis, etc.
	Proprietary (for-profit) hospitals	Ordinary private housing	Household hires private firm to provide service	Free market for jitneys, private cars for hire
	Community-based nonprofit hospital	Housing cooperative	Homeowners' association hires firm to provide service	Carpools organized by groups of suburban neighbors
	Self-medication, chicken soup, other traditional cures	Do-it-yourself home construction	Household brings refuse to town disposal site	Driving one's own car, cycling, walking

Source: E.S. Savas. 2000. Privatization and Public-Private Partnerships. New York: Chatham House.

Sometimes there is complete government provision of a good or service, meaning no business participation by the private sector. In other cases, there is complete business provision, which is no provision by government. And in still other cases, citizens provide their own services, without government or business. Those are the three corners of Picciotto's triangle. But note in Table 3.2 how many combinations there are of government, business and citizens.

Let's take a closer look at the last column of Table 3.2, urban transportation. Note that in a given setting, transportation services can simultaneously include almost every degree of public-private-citizen partnership. There is pure government provision, as in a public transit authority that runs a bus service. There is the free market or pure business provision model, as when there is a competitive market for rental cars. And there is pure citizen self-provision of transportation services, as when one drives one's own car or bicycle. And in between are various kinds of collaboration.

The point is that transportation—like many other urban services—includes many kinds of goods and services, which can be provided by many kinds of institutions. We have to imagine the possibilities and think them through carefully.

Many Goods, Many Institutions

Let's now return to the challenge faced by Dorji Dhradhul in Gasa. A highland cultural festival sounded like a good idea. But specifically, what should a highland cultural festival comprise, and how should that be decided?

What goods and services would have to be provided for a successful festival? Dorji knew that the administration of Gasa Dzongkhag didn't have the know-how or resources to provide the many needed goods. What institutions might help? Providing what kinds of goods?

After thinking those questions through, Dorji can turn to the bold and humble leadership tasks of mobilizing the different potential partners. Including the prospective beneficiaries.

4. Leading Collaboration in the High Himalayas

The new Dzongda of Gasa, Dorji Dhradhul, faced a daunting set of challenges in designing and implementing a new cultural festival for the highlanders of Bhutan.

Consider again that generic agenda for planning a festival:

1. Create a business plan.
2. Create and implement site-management strategies. As we have seen, Laya was almost completely unprepared for a festival, indeed for any large influx of people. It had no road, no electricity, no hotel and virtually no homestays, no restaurants, and few modern toilet facilities.
3. Create and execute marketing strategies.
4. Manage a festival's financial health and sponsor relationships.
5. Oversee the recruitment, management and retention of staff and volunteers.

Dorji realized that he and the Gasa Dzongkhag Administration could not do these things alone. He would have to mobilize both resources and expertise. He recognized that many kinds of actors should be involved at the local, district, and national levels. He would have to foster new kinds of collaboration, both within government and across the public-private-citizen divides.

Different Partners Have Different Strengths

Government

The Royal Highland Festival was a government initiative. In fact, it was more than that: it was an idea of the King of Bhutan.

In general, governments have specific things they are good at. Governments make rules, collect taxes, direct public agencies, and can mobilize the efforts

of the military and, in Bhutan, the De-suups ("Guardians of the Peace," a cadre of well-trained and highly motivated volunteers formed at His Majesty's behest). Governments have the power to convene, meaning the ability to bring people together to work on a common task. Importantly, given the respect His Majesty The King evoked, his endorsement of the Royal Highland Festival was a huge advantage.

At the district level, Gasa's officials specialized in key functions such as transportation, health, and planning. They knew the area and could draw on their ties to the central government through their functional areas. The new Dzongda had authority over them, and since he was so new, he enjoyed a honeymoon period where people would listen to him especially carefully and might grant him an extra dose of obedience.

At the national level, since the festival was an idea of the King, His Majesty's Secretariat (HMS) would be involved. The government's authority, resources, and expertise could be drawn from various ministries, the De-suups, perhaps even from the military—and if carefully led and managed, perhaps also from private companies, banks and development banks, and civil society organizations.

The Private Sector

The private sector, too, has distinctive capabilities. In general, the private sector is good at innovation, marketing, discerning what customers want, and the timely provision of services. Tourism in Bhutan is the province of various private actors, including tour organizers and guides, as well as the erstwhile Tourism Council of Bhutan (TCB), now the Department of Tourism, a government-led "destination management organization"[29] with private- and public-sector participation.[30]

The private sector has a comparative advantage in creating "buzz." Who can get people excited about something like a cultural festival? In principle, the stars of movies, music, and sports. Sometimes, the media. Often these institutions and people fall outside government control—but not necessarily beyond government influence. Government can sometimes catalyze their efforts on behalf of public-spirited initiatives.

Many private companies make donations in the name of "corporate social responsibility."[31] They especially like to support activities that will bring them prestige and public acclaim.

Civil Society

In general, civil society organizations enjoy several comparative advantages. They have specific constituencies, and they understand their constituencies' needs, desires, key actors, and capabilities. Usually,

CSOs have credibility with those constituencies that neither government nor business enjoys. Therefore, CSOs are often good at mobilizing demand for public and private goods—and mobilizing group efforts.

CSOs often have expertise related to specific challenges. For example, the Bhutan Toilet Organization had credibility and know-how in portable toilets and sanitation that could be applied to rural settings like Laya. Surprisingly perhaps, colleges such as Sherubtse and secondary schools such as the Druk School had student-led initiatives to repair and provide toilets.

International CSOs have access to international expertise. Getting their help means finding the overlap between their objectives and the objectives of the event. When seeking their support, one should use their ways of describing their goals and their preferred metrics to describe success. For example, how might a cultural festival in the high Himalayas fit with the objectives and capabilities of the World Wildlife Fund?

Coordination at Different Levels

So, government, business, and civil society each had distinctive contributions to make to what began to be called the Royal Highland Festival (RHF). And these contributions could have effects at three levels: on the ground in Laya, across the sectors of the Dzongkhag, and at the national level. Consequently, Dorji and his colleagues created three coordinating bodies for the RHF.

Local-Level Coordinating Committee

With the help of local elders, Sonam Tenzin was selected as the chair of a local coordinating committee. It included five people, one from each chiwog [comprising several villages] in Laya.

"Our primary role," Sonam Tenzin recalled, "was to coordinate the chadri,[32] facilitate the porter ponies for the officials and the other visitors, and facilitate the homestays. The homestays were a major challenge because the Layaps had no such experience of having guests, and also there was a lack of proper toilets and bathrooms. We also coordinated the cultural items and *Buelwa* offering, coordinated with other ten Dzongkhags to host their highlanders."

The Dzongkhag Core Coordination Team

For the preparation and management of the festival, Dorji formed the Dzongkhag Core Coordination Team. Its nine members were civil servants working in the Gasa district, and he acted as the chair.

Coordinating committees face predictable implementation challenges.

The cause sounds good, but officials are busy. This is extra work. Often, no budget exists for such a committee—or at least, not enough resources are available. And there is a fundamental reality to overcome: no one likes to be coordinated.

In this case, an additional challenge emerged. A highland cultural festival would require that people come from other cultural groups in Bhutan. But communications were difficult. Across the highland districts, few coordinating mechanisms were in place. Among the best networks was in livestock, so Gasa's Livestock Officer and Livestock Extension Officers communicated with their counterparts in other districts to help bring other highlanders to the festival.

Then there was the challenge of mobilizing participation by the Layaps themselves. They knew their culture better than anyone. What aspects would they like to celebrate? How might all their community members be included? What fun might be had? How might their ideas and creativity be mobilized?

The festival would also require their hard work. The Layaps were not eager to contribute voluntary labor—they sought compensation. As noted, when Dorji relayed this reluctance to the Dzongkhag Core Coordination Team, the team reacted negatively. In effect, the civil servants said, "If the Layaps are not interested in voluntarily doing what's needed for their festival, why should we do it?"

Dorji listened to their frustrations. Then he enjoined the team to action: "I told them, if the Layaps participate voluntarily in the preparation, well and good, most appreciated. But we have to make this festival happen. We are the public servants, and we are here to serve them."

"If they are not participating," he added, "we should understand because they lack this exposure, understanding, and the long-term vision. After all, for so long they have been cut off from mainstream development."

Dorji also recognized the need to appeal to the self-interest of the Layaps. With the help of others, he showed the Layaps how they would gain financially from the festival. Their houses could become profitable homestays—and as such, could be sources of future income from visitors. He made sure they would be paid for construction. By staffing and providing for food stalls, they would earn money. They could rent their ponies to help people with the arduous trip from Gasa.

"We identified and encouraged all the local people to use their houses as homestays," local coordinator Sonam Tenzin explained. "It was a completely new idea for them. With the encouragement and support of the district and the local committee, many homes were prepared to be homestays. Then we fixed the rates for the homestays and the meals

menu. After the first Royal Highland Festival, many local people continued using their houses as homestays for international tourists and domestic visitors."

To guarantee demand for the homestays, a decision was made that visitors would not be allowed to camp in tents. "Any visitors coming to the festival have to be accommodated in the homestays, and they have to pay," Dorji declared. The prices for homestays were different for different categories of people. Tourists were charged the highest fee, with a slightly lower price for government executives and the lowest price for lower-ranking government officials and Bhutanese visitors. It was unusual to require government officials, including executives, to pay for their accommodation in village homestays. "This new requirement was to ensure some income to the locals," Dorji recalled. "I think this was really an out-of-the-box idea, and even years later, some executives reminded me unpleasantly that they had been charged too much. I remember one even saying it would be cheaper to go to Bangkok than to Laya!"

Later Dorji was asked what he had learned from launching the Royal Highland Festival. "The importance of incentives," he replied. "We have to make it worthwhile for people to participate, worthwhile in terms they appreciate."

National Level Collaboration

A major financial question loomed: how to get the needed resources? The festival was not included in the budget of the five-year plan. "As the festival would happen at the end of the fiscal year, budget planning was already done," Dorji recalled later. "Since we didn't have enough money, we requested help from His Majesty's Secretariat. They gave us around Nu. 5 million."

Such a large event would require more resources—and not only money but specialized capabilities. Dorji and his colleagues contacted many organizations and donors. "To get support from individuals and organizations for the festival, I wrote letters and also went and met them in person seeking help. Most of them were very forthcoming in rendering whatever support they could, maybe because it was the first time or maybe because of my way of reaching out to them for help and support."

"I also wrote official letters to seven or eight civil society organizations. As a result, the Bhutan Kidney Foundation, Bhutan Toilet Organization, Royal Textile Academy, Green Bhutan, Clean Bhutan, and many other CSOs took part in the festival. It was a win-

win for us since the CSOs got an opportunity to promote their work and organization while also helping the local people by educating and creating awareness on social issues and conveying social messages. For instance, a bank had its stall and could talk about their works and promote themselves."

The first Royal Highland Festival received contributions of Nu. 150,000 each from the Bhutan Development Bank Limited and the World Wildlife Fund in Bhutan. Druk Holding and Investments contributed Nu. 100,000, and the Bhutan National Bank Limited gave Nu. 50,000. Other donors like Ugyen Trading and the Royal Insurance Corporation of Bhutan contributed Nu. 20,000 each; the Bank of Bhutan donated Nu. 10,000; and Bhutan Kazi Tours and Laya Tours and Travels gave Nu. 5,000 each.

Apart from this financial support, numerous other organizations and individuals provided various goods and services. The Bhutan Toilet Organization helped install the toilets at the RHF venue and create awareness on their use. Clean Bhutan helped maintain the RHF venue and provided biodegradable plates and cups for the festival. The De-suups helped with crowd control. Bhutan Broadcasting Service publicized and covered the festival.

The Bhutan Power Corporation Ltd. ensured electricity supply to the venue, while Bhutan Telecom Ltd provided communication services—and gave three mobile phones as prizes. The Kidu Mobile Medical Unit provided medical services at the venue and to the people of Laya. Mawongpa Water Solutions helped supply drinking water.

Students from Druk School in Thimphu helped with waste management and serving during the feast (Tokha). Students from Royal Thimphu College helped with the Open Lottery Lucky Draw and the packing of the prizes.

"The prizes were very attractive," Dorji noted. "They were mainly agriculture and livestock equipment. They included greenhouse plastic, milk processing equipment, expensive saddles and even animals like yaks. Other prizes were electronics like televisions, smartphones, and clothing from traditional to trekking sets. There were also statues."

The Royal Bhutan Army helped make the route and campsite management from Gasa to Laya. "We got direct support from the Royal Office for Media under His Majesty's Secretariat," Dorji noted. "They helped promote the RHF by designing posters and creating videos for advertisement and other publicity materials, including the RHF Logo."

Royal Highland Festival logo

His Majesty's Secretariat also helped arrange for the entertainment, including bringing stars from the Film Association of Bhutan, comedians, and even the master of ceremonies.

As noted, the Royal Highland Festival was planned through various levels of coordinating committees, with contributions from and the approval of His Majesty's Secretariat. As Dorji recalled,

> We came up with ideas, brainstormed, and discussed them in the various committees. All the members from different committee levels contributed ideas about different items and events to be included. We sat together, discussed and finalized.
>
> Then we submitted the list to the HMS, from whom we received comments and then finalized our agenda and events. HMS suggested some additions—for example, cultural items and comedy shows from the Film Association of Bhutan, and one item from each participating highlander from other districts was directly included in the agenda.

The RHF would celebrate the highlanders of Bhutan, their cultures and lifestyle, and Laya's breathtaking landscape. It also had national and cultural significance. The festival commemorated the birth of His Royal Highness the Dragon Prince, Jigme Namgyel Wangchuck; 400 years of Zhabdrung Rimpoche after he visited Bhutan; and the auspicious Fire Male Monkey Year that comes once in every sixty-year cycle or Rabjung, going back many cycles to the arrival of Guru Rinpoche. Furthermore, the festival date in October also celebrated the Royal Wedding Anniversary.

The Inaugural Festival

Royal Highland Festival

The first Royal Highland Festival took place from October 16 to 18, 2016. It brought together hundreds of highlanders from Gasa and nine other districts (Haa, Paro, Thimphu, Wangdue Phodrang, Trongsa, Bumthang, Trashi Yangtse, Trashigang, and Lhuntse).

"The highlanders from the other districts were a major challenge logistically," Dorji recalled. "The Gasa Dzongkhag paid for their expenses while at Laya, but their travel expenses were paid by their respective districts. We had to coordinate with the other Dzongkhags to arrange that. Nearby Highlanders from Sephu and Lingzhi came with their animals."

Apart from bringing to Laya highlanders from across the high Himalayas, the RHF also attracted international tourists, officials from different government agencies, members of civil society organizations, and Bhutanese visitors.

The remarkable Snowman Run was conducted the day before the festival. It spanned 53 kilometers in two stages—there was an overnight break after 28 km in Ponjothang. The second day's run ended at the festival ground at Langothang in Laya, where the crowd enthusiastically

cheered on the finishers. The 106 runners included 26 women and 80 men. Most were from Bhutan, but runners from Australia, Canada, the United States, France, Great Britain, and Germany also participated.

The RHF lasted two days. "The first day was more entertainment," Dorji recalled. "The second day was for the livestock show, including hundreds, maybe even thousands of yaks brought to the venue." The first day started with a procession. The Layaps and the highlanders from other districts wore their finest traditional clothing, and their yaks were colorfully decorated. Around the festival grounds were stalls featuring traditional cultural items as well as items from some businesses and civil society organizations.

World Food Day was celebrated during lunch with a feast for the public. In the afternoon, comedians performed, animals paraded, and music was played. The day concluded with an Open Lucky Draw Lottery, in which His Majesty's Secretariat sponsored attractive prizes.

On the second day, the festival started with animal contests. There were yak- and horse-decorating competitions. Judges also determined the best horse and the best highland mastiff.

Five categories of yaks were assessed: the breeding bull, milking yak, young male, young female, and calf. "The animals were being contested to increase yak farming. The objective was to have a competition among the animals and then give the highlanders attractive prizes for their animals so that they will be more encouraged the following year," said Dorji. Apart from the main events, yak-riding facilities were arranged at the festival venue, where interested guests could have a go for a nominal fee.

The highlight of the festival was the appearance of His Majesty The King. After his arrival at the First Gate of the Celebration Ground at 2:00 pm, another procession began, followed by rituals and offerings from the Gasa Dzongkhag and the Layaps. These were followed by a parade of all the decorated animals.

During the two days, various sports entertained the visitors. They included a three-legged race and a tug of war. The strong man competition featured two innovations. For the first time, it included strong women. The other novelty was a grand and pompous entry of the strong men and women at the festival ground on highly decorated horses.

Towards the evening, there were a horse race, an Open Lucky Draw Lottery, and the awarding of the festival's prizes. After much pomp and show, the festival concluded with a dance that offered prayers of good fortune and wishes for happy reunions.

Some Results

From the start the Royal Highlands Festival had broader goals than an entertaining two days.

Cultural and Economic

First, the RHF would celebrate the cultures and traditional yak-based economies of the highlanders. It would engender pride.

Second, it would have tangible economic benefits for the local people. Layaps generated substantial incomes through homestay services, the sale of their local products, providing meals and food stalls, and offering porter pony services. The last was the biggest source of revenue since all goods needed to be transported from Gasa to Laya on horseback. The first RHF was commercially successful. It was estimated that Layaps earned about Nu. 5 million from porterage, farm stays, meals, food stalls, product sales and other groceries and food items, wages, firewood, and compensation for animal participation. This amount excludes another Nu. 2 million that they received in prizes.

One study assessed the effects of the festival from the perspective of yak herders in Laya. Their opinions testified to improved community vitality and networking with stakeholders. Tourists, both international and domestic, were the major contributors to the income of yak herders during the festival. Livestock products were the biggest income earner, followed by homestays. Herders were encouraged to produce more quantities of livestock products and desired to diversify yak products. Animal shows were deemed "adequate," and they "encouraged breed improvement." The grazing resources and the environment were unharmed by the festival animals.[33]

Fostering Collaboration

In its design and implementation, the Royal Highland Festival mobilized a variety of actors from government, business, and civil society. They contributed expertise as well as financial resources. In return, these institutions received valuable exposure. Many had booths where they could convey their messages.

The presence of CSOs was prominent. "His Majesty witnessed that," noted Dorji. "Not long after they participated in RHF in October, the CSOs [23 of them] were recognized and awarded the National Order of Merit, Gold by His Majesty on the occasion of the 109th National Day Celebration in Trongsa, 2016. I feel that this was a very good coincidence."

Environmental and Geopolitical Benefits

The festival was a platform for educating people about waste and waste management, proper sanitation, and safe drinking water. The Snowman Run raised awareness of climate change, which has tremendous potential negative consequences for the glaciers of the high Himalayas. Immediately after the first Royal Highland Festival, His Majesty The King departed from Laya on a trek across many of the highland lakes of the region. His goal: to see first-hand the deleterious effects of global warming, so he could make Bhutan's case even more forcefully in international discussions.

The festival connected the Layaps with other highlanders and Bhutanese from around the country. It was hoped that the festival encouraged the local people to stay in the highlands and nurture their yak-based economy. Their presence along the border with China is important to Bhutan's national security. They are informal sentinels along a frontier with porous boundaries.

Good to Great

For Dzongda Dorji Dhradhul, the Royal Highland Festival was also a landmark activity in what became his "Good to Great Gasa" initiative. "His Majesty had gifted me the book *Good to Great* written by Jim Collins, and the title caught my attention," Dorji recalled. "Then I said, 'We will adopt this as our vision.' So, anything that we would do to make Gasa great was part of an initiative. The highland festival is one of the flagships. The main thing is that the highland festival is not being organized just for festival purposes and not just for entertainment. It is for socio-economic upliftment and to revive the yak farming culture."

"Good to Great Gasa" declared a lofty aim: to make Gasa the number one Dzongkhag. During the annual National Day celebrations, Good to Great Gasa Awards were given to recognize outstanding performers. While this award first targeted civil servants, it became open to anyone, including farmers. Dorji also instituted the Good to Great Gasa Fund, which provided resources for new activities that contributed to the Dzongkhag's vision.[34]

Dorji took other innovative steps to advance development in Gasa. He successfully linked farmers with high-end hotels to market certified organic vegetables. The new Driving Dzongkhag Development Centre ventured into community-based tourism, cable TV services, cottage and small industries, and cordyceps. Dorji helped initiate Gasa Soechu, a company that hoped to substitute locally bottled water for the expensive bottled water from outside the district. Later, the goal expanded, and

Gasa Soechu was marketed throughout Bhutan. In 2017, Gasa's local households became shareholders of the district's first community-owned company.[35]

The Royal Highland Festival continues today. The venue has remained Laya, although it has been discussed to move the RHF across highland venues from year to year. "The area, Laya itself, is an attraction," Dorji said. "The other things that attract people are the unique cultures and traditions, the Snowman Run, and the celebrities from the Film Association of Bhutan."

The Royal Highland Festival is an inspiring example of innovation that involved many levels of government and many sectors of society. It would not have happened without Dzongda Dorji Dhradhul's skill in mobilizing local citizens and leading collaboration across the public-private divide.

5. A Dump Outside Our Door

When Ngawang Pem took office in August 2012 as the Dzongda of the district of Tsirang, Bhutan, she was discouraged by the run-down condition of Damphu, the administrative capital. And especially, she was appalled by the disgusting view from her office.

"I was unhappy when I looked out my window," she recalled. "The scene made me feel incomplete and dirty. Just below our beautiful Dzong, I could see garbage being left and the area being filthy."

What the Dzongda viewed was an overgrown dump. When the Dzong was constructed in 2008, a 3.6-acre area just below her window had been turned into a migrant labor camp. When that work was finished, the 40 workers left behind litter above the ground and garbage buried below it. Many townspeople continued to discard refuse there. Others used the area as an outdoor toilet. Brambles and bushes had spread chaotically. And off on the sides were two run-down automobile workshops.

"I love gardens," Ngawang said later. "From my initial appointment as a civil servant, I always made sure that the space that I work in is clean and beautiful. This was awful."

Introducing the Dzongda

Ngawang Pem was born and raised in Kanglung, a small town in Trashigang district in eastern Bhutan. After receiving a Bachelor of Arts degree at Sherubtse College in 1994, she joined the civil service as a trainee officer under the Ministry of Home and Cultural Affairs. In 1995, she studied public administration and public policy at the Lal Bahadur Shastri National Academy of Administration, Mussoorie, India. A decade later, she earned her Master's in Public Policy (Development Administration) from the Australian National University in Canberra.

Upon returning to Bhutan, she served as the chief human resource officer in the Ministry of Home and Cultural Affairs until 2010 and then

was transferred to the same post in the Ministry of Agriculture and Forests.

She went through the rigorous training to become a De-suup, a volunteer member of the De-suung or "Guardians of Peace" created by His Majesty The King in 2011. De-suups come from all walks of life. Adorned in their orange uniforms, De-suups can be seen everywhere across the country during both good and bad times—at national events, festivals, natural disasters, and reconstruction projects.

In 2012, Ngawang Pem was named the Dzongda of Tsirang, a district she had never visited.

"I was both excited and scared when I learned I got the post," she recalled. "Excitement, apprehension, and concern—that was what I felt. It was a huge responsibility being the first female in such a post. Never in the country's history had there been a female Dzongda. So, I was concerned about how well I would do. But deep down inside, I was confident about myself."

Tsirang

Tsirang lies in the south-central part of Bhutan, sandwiched between Wangdue Phodrang in the north, Dagana in the west, and Sarpang in the south. In the district, altitudes vary between 400 to 2000 meters. The elevation of the town of Damphu is about 1300 meters. Almost four-fifths of the district is under forest cover.

In 2016, Tsirang's population of about 23,000 people had a per capita income of Nu 157,000, compared with about Nu 197,000 for Bhutan as a whole. Fewer than 2000 people lived in Damphu, the district's largest town. Culturally, most citizens of Tsirang are Lhotshampa.

Unemployment was only 1.1 percent, and fewer than 5 percent of the population fell below the consumption poverty line. About 98 percent of households had "improved sources of drinking water" and about two-thirds had "improved sanitation facilities." The adjusted net enrolment

rate in primary education was 97 percent, and about 71 percent of households were electrified.

Tsirang's economy is agricultural. Its fertile, well-watered highlands have a temperate climate, and they feature organic vegetables and fruits as well as rice and maize. Ginger is grown widely, having a good market and the potential for expansion. Cardamom, onions, and potatoes are sold domestically and exported to India.

The district's pickles and chutneys are highly regarded. Chili-loving Bhutanese prize the local *dollay* (or *dalley*) chili. "They are twice as hot as ordinary chilis," one vendor explained. Chickens and eggs are thriving businesses. Local yoghurt is excellent and beautifully packaged. From 2016 to 2018, the number of piggeries tripled.

The Agricultural Research and Development Sub-Centre in Tsirang occupies 165 acres and serves the west-central region of Bhutan (Gasa, Wangdue, Punakha, Dagana, and Tsirang). It employs many field workers. In addition, Tsirang also has offices of the Renewable Natural Resource Centre and the Bhutan Power Corporation.

When Ngawang assumed office in August 2012, Bhutan was about to begin the 11th Five-Year Plan (2013–2018). This plan laid out broad objectives as well as quantitative goals linked to the country's Gross National Happiness indicators.

Here is what the 11th Five-Year Plan said about Tsirang:

> In keeping with the Plan objective of "Self-reliance and Inclusive Green Socio-economic Development", the key strategies the *Dzongkhag* will focus on are i) targeted poverty intervention program, ii) enhancing agriculture and livestock productivity and iii) tourism development.
>
> With agriculture and livestock products being a major source of livelihood for the people of Tsirang, the *Dzongkhag* will focus on **enhancing agricultural and livestock production.** The *Dzongkhag* will invest in improving infrastructure facilities such as farm roads and marketing shed, addressing issues of water shortage both for drinking and irrigation purposes, farm labor shortage and human wildlife conflict. Establishment of cooperatives and farmers group in agriculture and livestock will be encouraged and facilitated.
>
> The *Dzongkhag* in collaboration with the erstwhile Tourism Council of Bhutan (TCB), will explore possibilities of developing new **tourism development** products such as bicycle, trekking routes, river rafting, nature tour, community-based tourism etc. to attract tourist to the *Dzongkhag*.[36]

The plan did not detail the budgets for these activities.

As far as Ngawang knew in her first year, there was no "structure plan"

for Damphu. Having a structure plan is a requirement before infrastructure development or any other developmental activities in a town in Bhutan.

Finding Resources

In the budgeting system in place at the time, districts prepared annual plans and budgets within the ceiling provided by the Ministry of Finance. Funds came to the district from the central government through an Annual Capital Grant (ACG). Use of the ACG was subject to "Annual Capital Grant Guidelines" as well as "Financial and Procurement Rules."

The ACG came in two parts. The tied portion (80 percent of the total) was used for activities already "planned and prioritized" by the district. The untied portion (20 percent) could be used for "activities over and above the plan" as decided by the district.

"At the end of the financial year, some of the budget is unspent," Ngawang recalled. "I thought we should make use of that budget, and we did. For example, we did blacktopping of roads for the police. They had their own budget, but I said, why not? It comes from the same government, right? We paved the road for them. They were so happy. Then similarly with the monk body on top of the hill, we made their lives better. The budget actually, it depends on the people."

A Room Without a View

Looking out the window of her office, Ngawang couldn't stand the ugliness and uselessness of the 3.6-acre dump just below.

"Imagine it instead as a beautiful green space for everyone to come and refresh, from the old to toddlers. Imagine it as a source of pride for our town and region. I thought, we must do something.

"And yet there was no budget, absolutely no budget at all. And they say, if you have no budget, we cannot start, you cannot initiate anything."

Discussion Questions

Suppose you are advising Dzongda Ngawang about launching a beautification effort for Tsirang, beginning with the dump next door.

1. How might she explore the possibility of a beautification program for the 3.6-acre former labor camp?
2. What goods and services would this program require?
3. What people and institutions might be her allies in such an effort?
4. Where might she find the resources to get things started?

6. Practical Interlude II: Partnerships

In this chapter, we continue the conceptual analysis we began in Chapter 3. We add a new question: how might we arrange collaboration among the various institutions that could provide the needed goods?

What Are "Partnerships"?

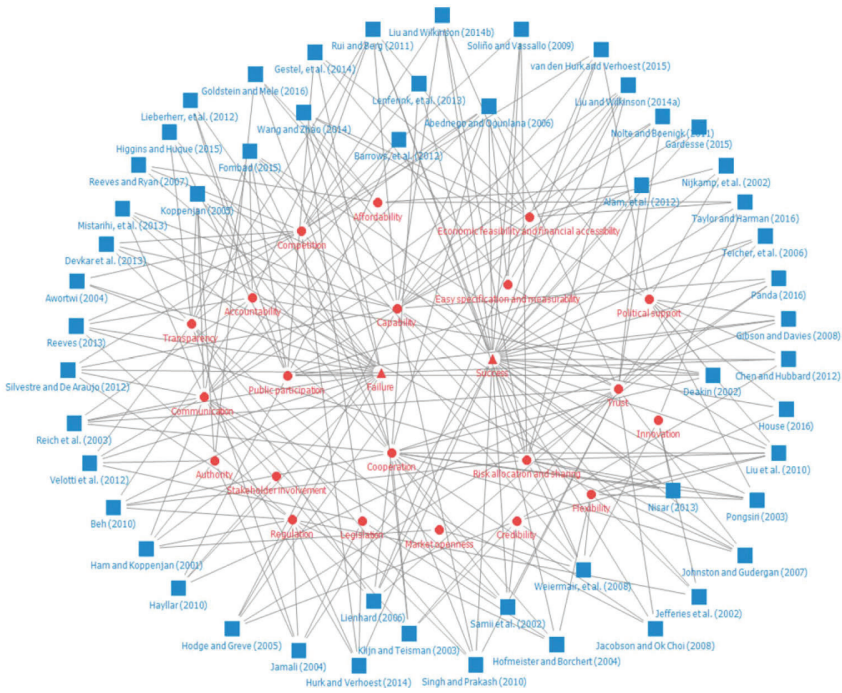
One finds competing terminologies in the academic literature on collaboration across the public-private divide. To name a few: public-private partnerships, collaborative governance, network governance, cross-sector collaboration, participatory governance, co-production, holistic governance, integrated governance, and interactive governance. "They all refer to multi-actor collaboration," say Carmine Bianchi, Greta Nasi, and William C. Rivenbark, "usually led by a public-sector organization aimed at building consensus among stakeholders on a formal set of policies

designed and implemented to generate public value."[37]

But what does that sentence mean exactly? Those keywords "consensus" and "public value" are themselves opaque and contestable. With regard to "public-private partnerships," three authors applied "the bibliometric techniques of citation and author co-citation analysis" analysis and concluded, presumably with a sigh, that "there is no core PPP concept."[38]

Figure 6.1 connects a flurry of supposedly connected buzzwords used in case studies of partnerships. It may make us throw up our hands in despair.

Figure 6.1. Conceptual Proliferation in Case Studies of Public-Private Partnerships



Source: Xiong et al. (2019) "Governing Public-Private Partnerships."

Anaïs Fabre and Stéphane Straub characterize public-private partnerships as "contractual arrangements between a public authority (which can be a

local or a central government agency) and a private supplier for the delivery of some services, in which the latter takes responsibility for building or upgrading a piece of infrastructure that supports these services, makes arrangement towards the financing of the investment, and then manages and maintains this facility."[39] Many discussions of PPPs focus on infrastructure projects, including dams and sewer systems, roadways and electricity provision, and so forth. But as Fabre and Straub's superb review points out, public-private partnerships also include initiatives in health and education.

For our purposes, a useful general definition is from the Canadian Council of Public-Private Partnerships: "A cooperative venture between the public and private sectors, built on the expertise of each partner, that best meets clearly defined public needs through the appropriate allocation of resources, risks, and rewards."[40]

There are even broader meanings and metaphors. Good partnerships involve complementary skills—for example, when one partner is good at marketing and the other is good at production, they decide to join forces. One might use the metaphor of gains from trade: two parties undertake a partnership to exploit their comparative advantages, and as a result both parties are better off. In fact, the big idea we're exploring in this book goes beyond formal partnerships. It's about a strategic awareness of actual and potential interactions across public, private and civil society institutions and the goods and services they provide—and about the possibility of intentional collaboration.

Box 6.1. On Collaborative Governance

John Donahue and Richard Zeckhauser define "collaborative governance" as "the pursuit of authoritatively chosen public goals by means that include engaging the efforts of, and sharing discretion with, producers outside of government."[41] They cite examples ranging from parks in New York and Chicago to "management-based regulation"[42] to job training.[43] Not all the examples are successful. For example, they criticize how shared discretion has functioned in health care and in educational partnerships.

Donahue and Zeckhauser classify collaboration arrangements along six dimensions:

1. Formal through informal to tacit.
2. Permanent to ad hoc and temporary.
3. Focus: narrow to broad.

4. Diversity of participants (number, types).
5. Stability defined in terms of shared objectives.
6. Discretion, which "is the most useful discriminant for separating collaborative governance from other forms of public-private interaction."[44]

The authors distinguish three kinds of "shared discretion" in collaboration. *Production discretion* regards the means to pursue defined ends. Private firms and non-profit organizations are given discretion to choose how to produce because they have several advantages over most government agencies: better incentives, procedural flexibility, and "the ability to harvest economies of scale and scope by operating beyond jurisdictional boundaries."[45]

Payoff discretion concerns how the gains from efficiency are shared. *Preference discretion* arises when various kinds of payoffs are valued differently by the partners.

"The central task for government officials attempting to create public value through collaborative arrangements is to maximize the efficiency gains of production discretion, net of the losses associated with payoff and preference discretion."[46]

Sometimes needed goods and services can simply be purchased by the government from companies or CSOs—no special senses of "collaboration" or "partnership" are required. But on other occasions—with many opportunities, challenges, and policy issues—different partners will provide their goods and services for the sake of the results achieved by partnering. Collaboration can be good for each participant in their lights and simultaneously good for society. Alas, "can be" doesn't mean "always is." Sometimes it does not make sense for one party or another to collaborate. Public-private partnerships are not automatically a good idea, either for the potential collaborators or for society.

And yet, if we are going to make progress on many of the important issues we face, we are going to have to design, lead, and manage collaboration across the boundaries of government, business, and civil society. Innovation *in the public sector* will sometimes require working with people and institutions *outside the public sector*.

The ideal kinds and degrees of collaboration will be arrived at by carefully assessing both benefits and costs. By whom? First, by each partner. And then by whoever the bold soul is who wants to create and lead a collaborative endeavor.

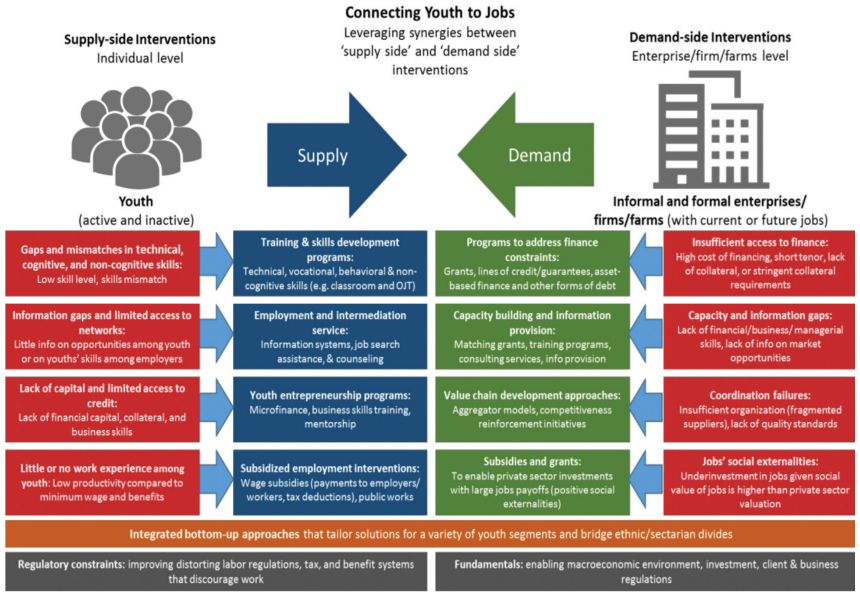
An Example

For example, take the challenge of youth unemployment. UNICEF provides this alarming summary.

- Around the world, 621 million young people aged 15-24 are not in education, employment, or training.
- 75 million young people are trained but have no job.
- In the next decade, one billion young people will enter the labor market, and large numbers of them will face a future of irregular and informal employment.
- Almost 90 percent of all young people live in developing countries.
- Youth are approximately 2.7 times more likely to be unemployed than adults.
- It is estimated that 23 percent of young people who are currently employed earn less than $1.25 USD a day.[47]

On the supply side, some young people don't have jobs because they lack skills, information about training and jobs, financial resources, and of course work experience. In Figure 6.2, look at the red boxes on the left-hand side.

Figure 6.2. Collaboration in Addressing Youth Unemployment



Each of these lacks might be remedied through programs depicted in blue boxes. And these programs might be provided by

- A variety of government agencies
- Schools and other educational institutions
- Private companies, perhaps working together
- Civic organizations

You could imagine these organizations working together, figuring out what they do best and how they might collaborate. Alas, you could also imagine each of them staying in their lanes—even when collaborating might help each organization do better according to its own goals and metrics.

Now consider the demand side of the youth labor market. The right side of Figure 6.2 displays some of the causes of "insufficient" demand for young workers in red boxes and some possible remedies in green boxes. Note that the remedies depend not only on the actions of companies but also on complementary efforts from government agencies, banks, and educational institutions.

Finally, look at the bottom of Figure 6.2, and it describes cross-cutting initiatives that could be catalytic.

- Mobilizing youth themselves to bridge possible ethnic, gender, or religious divisions
- Regulatory policies that affect how easy it is to hire and fire workers
- Macroeconomic policies that spur or constrain investment and the demand for labor

Youth unemployment is a complicated issue. Workable remedies have to go beyond government alone. Better solutions will require innovation across the boundaries of government, business, and citizens.

Each Partner's Benefits and Costs

The first question an institution must ask about any proposed partnership is how it will help us accomplish what we are supposed to do. As two professors put it, "The participants' expectations about whether the collaborative processes will yield meaningful results, particularly against the balance of time and energy that collaboration requires, must be addressed. In other words, it is necessary that the participants perceive themselves to gain more from collaborating than from not collaborating."[48]

Alas, there is no magic algorithm that can tote up all the considerations in a specific case and tell a leader whether a particular partnership will be worthwhile for them. Four scholars concluded in 2020 that "Although

consensus exists on the merits of cross-sector collaboration, our understanding of whether and how it can create value for various, collaborating stakeholders is still limited."[49]

But there are useful concepts, guidelines, and examples. Several valuable tools exist to analyze the benefits and costs of collaboration.[50] For example, Figure 6.3 presents the headings for a three-page checklist prepared for the UK's Department for International Development by The Partnering Initiative:[51]

Figure 6.3. Eight Criteria to Assess Before Entering into a Partnership

Area		Assessment	Outstanding Issues / Information Required
1	Clear **imperative** for a partnership approach	○ ○ ○ ○	
2	Partnership provides **significant added value** / impact	○ ○ ○ ○	
3	Partner(s) is / are **acceptable**	○ ○ ○ ○	
4	**Costs are acceptable** in relation to value gained	○ ○ ○ ○	
5	**External and internal financial resources** are sufficient for implementation	○ ○ ○ ○	
6	**Internal capacity and commitment** are sufficient for implementation	○ ○ ○ ○	
7	Partnership has **good strategic fit** with our mandate and objectives	○ ○ ○ ○	
8	**Risks** and repercussions have been considered, mitigated or accepted	○ ○ ○ ○	

Decision status as of date: ○ More info required ○ Decline ○ May be acceptable ○ Go Ahead

Note the inclusion of costs and risks. Surprisingly, they are often downplayed or overlooked in discussions of collaboration. For example, in a guide for evaluating partnerships, the British CSO InterAct touts many putative benefits. Partnerships lead to increase in information and understanding, trust among stakeholders, ownership, capacity among stakeholders, and openness and transparency. Partnerships enhance the "representativeness of participation." They increase the "level of understanding about the process and the specific project." Partnerships promote "changes in values, priorities, aims and objectives" and foster

new formal and informal relationships between organizations. The list goes on: partnerships reduce vandalism and maintenance, make it easier to raise funds, and provide "more impact on the policy process."

Whew. But after its long list of potential benefits, this guide about evaluating partnerships neglects to mention costs.[52]

Concepts like partnership and co-production and collaboration can become buzzwords. Consider this derisive aside by the British public administration expert Robert Chambers:

> "Integration" and "co-ordination" can be seen to have heavy costs as well as benefits... The word "co-ordination" provides a handy means for avoiding responsibility for clear proposals. It is perhaps the reason that it is much favored by visiting missions who are able to conceal their ignorance of how an administrative system works or what might be done about it by identifying "a need for better co-ordination." Indeed, a further research project of interest would be to test the hypothesis that the value of reports varies inversely with the frequency with which the word "co-ordination" is used.[53]

The "heavy costs" of integration and co-ordination may be financial. But indirect costs can also loom large: mission dilution, sacrificed specialization, cronyism, and a loss of diversity.

For example, from the perspective of a government agency, partnerships with the private sector may promise the benefits of more resources and greater efficiency. At the same time, government managers may fear the costs of losing accountability and the dilution of their public purpose.

Partnering with civil society organizations has many possible benefits. Compared with most government agencies, CSOs often have distinctive advantages:

- Cost. The most visible cost advantage is close-to-volunteer labor, though CSOs may have some innovative process or service delivery mechanisms as well.
- Quality. Non-profits are sometimes expected to deliver higher quality services. In contrast with the private sector, for CSOs providing the service may be a mission, not simply a way to make a profit.[54]
- Access. CSOs may be more able to serve a hard-to-reach target population because the CSO is perceived as "one of us." They can help mobilize demand for a good or service.

But working with CSOs also creates costs and risks. Both government agencies and businesses sometimes find that civil society organizations lack a bottom-line orientation. Some CSOs are better critics than colleagues. In many countries, CSOs face challenges of high costs, weak organizations, and weak technical competence—especially in the CSOs

that are closest to the most vulnerable communities.

For their part, civil society organizations fear the downside of collaboration. They worry that partnerships with the government will dilute their missions and cultures. "We should be activists and advocates, not collaborators," they may declare. "We are afraid that entering into partnerships with the government will end up silencing our voices."

Partnering with other CSOs can also foster friction. "Even if the executive directors of two organizations want to collaborate," writes Harold Jacob, "staff members may resist, saying the partnership will force them to restructure the program, re-do internal systems, abandon their unique culture, or—horror of horrors!—admit the weakness of their organization."[55]

So, collaboration has many potential costs as well as benefits. And any organization—be it governmental, business, or CSO—should begin by asking "Why is this partnership good for us?"

Box 6.2. The Shaw-and-the-Dancer Phenomenon

The beneficial synergies of partnership can be exaggerated. One evening at a dinner, George Bernard Shaw was seated across from Isadora Duncan, the celebrated and beautiful dancer. She flirted with him outrageously. Finally, she said loudly for all to hear, "Oh, my dear Bernard, wouldn't it be simply wonderful if you and I should have a child? Just imagine—a child with your brain and my body."

Shaw paused and replied: "But what if it should be the other way around?"[56]

The "Shaw and the Dancer Problem" abounds in partnerships of other kinds. Yes, partnerships have potential benefits. But partnerships may not work out as planned.

Consider collaboration between a regional health insurance carrier in the United States and the U.S. subsidiary of an international diversified insurance company. "On paper the alliance had all the markings of success," note Jonathan Hughes and Jeff Weiss.

"One partner had innovative high-deductible plans coupled with unique wellness incentives; an entrepreneurial culture that rolled out product improvements fast and worked out wrinkles later if necessary; and systems for gathering customer input that could be used to rapidly adapt products to changing market conditions. The other partner had a large and loyal customer base; a culture focused on strong customer service; and sophisticated product management and quality assurance processes.

The companies were confident that by leveraging their complementary strengths and assets, they could develop innovative insurance products and quickly scale their distribution without experiencing the service lapses common to new product rollouts."

"Within months, however, each company's unique competencies had become sources of resentment rather than enablers of success. A year into the alliance the partners were barely speaking to each other. The company valued for being 'nimble' was now viewed as 'sloppy and reckless.' Its partner was no longer 'process driven and quality focused' but a 'bureaucratic dinosaur' unable to make a decision. Within two years the alliance had been dissolved."[57]

Evaluating Partnerships as a Whole

We have just examined collaboration from the perspective of each potential partner. What does collaboration offer to them, in terms of their objectives and expressed in their preferred metrics?

Now we turn to the social benefits and costs of the partnership as a whole, as compared with not collaborating. Under what conditions, and for what problems, would it be socially useful for government, business, and CSOs to collaborate?

In addressing this question, we start with an opportunity or challenge or problem. It could be "create a cultural festival for highland Bhutan" or "beautify the town of Damphu." Addressing the challenge often will require different kinds of goods and services. Who could provide them? Sometimes they lie beyond our organization's capabilities. If so, we consider what institutions might supply them. We saw in Chapter 3 that they might be provided by another government agency, a private business, or a CSO. Now we are evaluating *combinations* of different goods provided by *combinations* of institutions.

For example, consider a program to improve the seeds and other inputs available to farmers. A successful program in the African country of Malawi analyzed the various kinds of goods and services that would be required. Some could be supplied by the private sector—for example, the distribution of the new seed varieties. Some parts of the overall solution were provided by government—for example, creating the policy framework in agriculture, funding research and development and setting

agricultural pricing policies. And still other goods and services were provided by CSOs—for example, mobilizing farmers to enable group credit. Fertilizers and other inputs were subsidized by the government and distributed through private companies and farmers' groups. No one agency and no one type of institution could provide what was needed.

The point goes well beyond Malawi. "While the early Green Revolution programs that began in Mexico and expanded throughout much of Latin America and Asia during the 1960s were largely public sector-led projects," notes Aaron Eddens, "today's Green Revolution involves a growing number of public-private partnerships between national and international development organizations and multinational corporations."[58]

Successful efforts in this domain engage farmers and CSOs.[59] They also mobilize government agencies and private businesses. The Partnership for Inclusive Agricultural Technologies in Africa, founded in 2017, puts it this way: "Sustaining and scaling progress in Africa's agriculture requires greater political, policy, and financing commitments from across the public and private sector. Achieving these will depend on a strong mechanism for coordination to synergize the efforts and objectives of various players."[60]

But what "strong mechanism for coordination" is best under what conditions? Conceptually, the ideal collaborative arrangement would be arrived at by a careful assessment of a variety of social benefits and costs. We do not have an agreement on ideal models for collaboration—or of their benefits and costs under real-world circumstances.[61] John Donahue and Richard Zeckhauser note that "the growing practical importance of collaborative governance has outstripped our capacity to understand, categorize, make predictions about, and prescribe improvements to such arrangements. Our analytical apparatus—anchored in traditional, more crisply defined concepts such as market failure and public goods—lags behind practitioners' exuberant improvisation."[62]

And yet, partnerships are an emerging feature of the way countries around the world deal with public problems from youth unemployment to infrastructure, from better healthcare to cybersecurity, from fighting poverty to protecting the natural environment. As we have seen, the Royal Highland Festival in Bhutan could not have emerged without collaboration across levels of government and with both business and civil society organizations. More and more issues require us to rethink collaboration across public-private-citizen divides.

So, government leaders face a chronic challenge: how to design and implement collaboration *without* agreed-upon models and data. Welcome to the real world.

Under such circumstances, improving partnerships is best pursued through an inclusive and open-ended process. Consider the simple checklist in Table

6.1. It draws upon analytical materials and experiences from around the world, but it makes no pretense of deriving an optimal answer for any particular situation. Its purpose is to help potential parties in collaboration to consider together basic questions from this chapter and Chapter 3. What is the issue? What goods and services are potentially involved? What institutions might be good at providing them? What are some of the categories of social benefits and costs of collaboration?

Table 6.1. A Simple Checklist of Some Benefits and Costs of Collaboration

1. Start with an opportunity or challenge or issue. What goods and services need to be provided to make progress?
   a. Array the goods and services along the dimensions in Tables 3.1 and 3.2.
   b. Which goods and services exhibit complementarity, meaning their impact depends on other goods and services also being provided? Focus on where complementarities are largest.

2. What institutions are best at providing each of these goods and services?
   a. What are the comparative advantages of government, business and civil society organizations?
      - Governments have distinctive authority, resources, and expertise. Governments are good at making rules, collecting taxes, directing public agencies, and mobilizing the efforts of the military, the police and, in Bhutan, the De-suups. Governments have the power to convene, meaning the ability to bring people together to work on a common task.
      - The private sector may have a comparative advantage in technology and innovation, marketing, discerning what customers want, the timely provision of services, and using high-powered incentives.
      - Civil society organizations often have specific constituencies, and they understand their constituencies' needs, desires, key actors, and capabilities. Usually, CSOs are credible to those constituencies. Therefore, CSOs have a comparative advantage in catalyzing demand and group efforts.

b. How can each partner mobilize the needed knowledge, expertise, and resources? Each of these three institutions may have distinctive access to local and international expertise and financial resources and have peer networks. Especially when facing big, complicated issues, it is important to gather from other countries useful data, examples of success, and workable models.
c. Given 2a and 2b, and again using Figures 3-1 and 3-2, what combinations of government agencies, businesses, and CSOs might be useful for which goods and services?

3. Consider possible collaborative arrangements across government, businesses, and CSOs. What are the economies of combined inputs for producing services?

a. Synergies and resource reallocation
    - Would a partnership allow resources to be reallocated within or across institutions?
    - If so, with what resulting efficiencies? Consider the comparative advantages in 2a of the different partners in various functions such as planning, marketing, delivery, evaluation, political connections, and raising funds.
    - Consider how partnering might lead to negative synergies ("the Shaw- and-the-dancer problem").
b. Economies of scale from integrating inputs
    - How large would the economies of scale be in which management functions (such as planning, research, capital equipment and other overhead, top management, delivery costs)?
    - What economies exist in the provision of goods such as information, political organization, and public relations?

4. Also consider the costs and risks of various ways to collaborate.

a. Direct financial costs of creating a formal partnership (such as the costs of starting an integrated organization, new personnel costs, changes in staffing patterns, training, information and publicity, and so forth)
b. Indirect and managerial costs of partnerships.

- How large are learning costs (for changes in budgeting, personnel, political linkages, standard operating procedures, evaluation and information systems, and so forth)? Consider the costs for clients as well as employees.
- How serious will bureaucratic resistance be? Consider the legitimacy and power of the integrated authority, the similarity of missions among the partner organizations, and possible conflicts of politics and culture.
- Are the managerial tools available for inducing agencies to partner effectively? Consider incentives, authority, information, control over workloads, and career paths.
- How large are the returns to institutional specialization? To what extent is specialization sacrificed in the attempt to partner? Consider the technical aspects of the production function, but also the role of routines, measurable outcomes, morale, and so forth.

Source: The author.

A checklist like this one can be useful *within* a given organization that is considering partnering. The key decision makers convene to consider the possibilities by working through the checklist together.

For each heading of the checklist, participants are asked, "What does this category trigger in your experience and imagination? How big might this category of benefits be, and what does it depend on? Which benefits and costs seem most important to our agency's mission? Which of the synergies or complementarities across potential partners seem most crucial? Which most fragile?" And so forth.

Together they probe each dimension. The result may be that people realize that a particular benefit (or cost) is paramount, and then they can actively focus on it with your potential partners. Or you may find that there are angles of the problem that they had overlooked—and by talking them through together, they can design and manage them more effectively.

That is *within* an organization. It is also possible—indeed desirable when the challenges are large and the potential for constructive collaboration is promising—to convene potential partners *outside* a given organization and work through the checklist together.

The goal is not to sell an answer or get "buy-in." Rather, convening is a respectful and creative act: the opportunity to mobilize expertise and inspire creativity across the boundaries of government agencies and across the public-private divide.

Outside information can make a big difference. From international examples, we can gain perspective about what "effective collaboration" means, from the perspective of each partner and from the perspective of the entire partnership.[63] We can be inspired by examples of successful partnerships leading to surprising accomplishments.

In this spirit, let's turn now to another example of innovation across government, business, and civil society: a program that helped catalyze a nationwide movement to beautify cities and towns.

7. From Garbage Dump to Garden

In 2013, some months after taking office as the Dzongda of Tsirang, Ngawang Pem happened to meet the architect Seishi Yamaguchi. He was based in the Municipal Office of Damphu in an unusual posting funded by the Japanese International Cooperation Agency. According to one source, the municipality didn't know what to do with an architect, and Yamaguchi was underutilized.

"I called this young, talented Japanese architect to my office and showed him the area," Ngawang recalled. "I said, 'Since you're an architect, let's make use of your skills and your knowledge. Let's do something about this place.'"

Seishi Yamaguchi loved the idea. Immediately, he began surveying, which was not easy because of the bushes and briar patches. Within days, Seishi outlined a simple but beautiful plan. It divided the area into zones with clear labels. It included illustrative photos from parks around the world.

"See this picture?" he suggested to Ngawang. "We could do something like it over there in the plan." She was thrilled.

But the 3.6-acre site was a refuse dump. The first step would be to clean it up—a large task indeed.

Ngawang asked herself where she could find the workers to do it. What about the Agricultural Research and Development Sub-Centre in Tsirang? She shared her idea with people there.

"They were excited with the plan," she recalled. "We had a good talk and I said, 'We'll provide refreshments, like meals, juices, water.' The agriculture research centers have many people working on the farm as laborers, and some of them joined us once a week, getting the ground ready."

The workers came to Damphu on Friday afternoons from 2:00 to 5:00 and began clearing the plants and rubbish. Ngawang herself pitched in, joined by some of her staff. Except for the food and refreshments, this effort was undertaken without an official budget.

Volunteers of Various Kinds

After a while, it was clear that the government couldn't indefinitely rely on this scheme. "We couldn't continue to bring in agriculture research laborers and farm hands every time. It's not fair to them to have them always working in the park."

The head of the agricultural sector in the Dzongkhag had an idea. Why not ask all employees of the Dzongkhag to work in the park on Friday afternoons?

Ngawang was delighted. She called a meeting of the Dzongkhag's 115 employees. They backed the idea. They agreed that all civil servants would be on hand for the Friday afternoon clean-up and gardening sessions.

"After seeing us work and then seeing the results and things getting cleaner, they all somehow felt that they should contribute," she recalled. "Then we had meetings of the highest decision-making body in the district, made up of the elected local government officials. They supported it also."

Soon other people offered their help. Members of the Royal Bhutan Police joined in. Businesses funded refreshments. Contributions of labor and cash also came in from the Renewable Natural Resource Centre and the Bhutan Power Corporation.

"We cleared the place of so much rubbish. It took us almost three months to clear the place."

"And then the De-suups—I'm a De-suup also—I told our De-suups, 'Let's do something from the De-suup side.' So, we started the footpath from the municipal office that goes around the lake towards the forest and up to the platform. Now we have a stupa up there, which the monk body built for us."

Construction

After clearing the area, work on Seishi Yamaguchi's plan could begin—but because of formalities of contracting and budgeting, a couple of years passed.

Initially, the park was planned to be completed by November 11, 2015, to commemorate the 60th Birth Anniversary of the Fourth King of Bhutan. But work was delayed, and eventually it was completed and was dedicated to the Birth of the Crown Prince on February 5, 2016. The garden park, called Rigsum Pemai Dumra, was inaugurated by Her Royal Highness the Queen Mother Azhi Tshering Yangden Wangchuck.

A Pathway in the Park in 2021

The Queen Mother liked the park. "She advised us because she's into culture and nature," Ngawang recalled. Having the Queen Mother associated with the project helped accelerate matters. The central government provided additional funds to Tsirang's budget to pay for the structures in the park.

The park also fit beautifully with the vision of His Majesty The King. At the inaugural Royal Bhutan Flower Exhibition in April 2015 in Paro, he said: "Where we live must be clean, safe, organized and beautiful, for national integrity, national pride and for our bright future. This too is nation building."

In Tsirang, many people brought flowers from their villages to plant in the park and around the Dzong. "We didn't buy any flowers," Ngawang noted. "We just arranged it, organized it, uprooted azaleas, and planted them there and made it nice."

"More people started contributing cash and labor, and also the monk body built the stupa. Everyone had their own small contribution in that park. Had there been no such voluntary contributions, construction costs could have doubled."

Eventually, the park had two huge concrete gazebos, fountain, a prayer wheel, an artificial lake with an arched bridge, and children's

playing zone. A 300-meter footpath was surrounded by flower gardens.

The architect's plan included a "symbol wall" full of Bhutanese tradition. To create it, Ngawang recruited a talented local artist. "He was a private consultant with his own firm. He helped a lot with the beautification, with all the paintings and statues. In town, there's a little Buddha statue and all the paintings, the signboards, and decorations down the walls; everything was led by him."

The two unsightly automobile workshops were removed. "All the flat tires and piles of old parts were bordering the road, and it didn't look nice at all," Ngawang explained. "I got rid of those two workshops, and we relocated them to a very convenient area in midtown."

More Recreation

After the garden came the football ground. Located alongside the park, it was the second municipal pitch with artificial turf (Thimphu was the other). Ngawang had tough negotiations with the football federation. Who would be responsible for upkeep and maintenance? "I really had to push officials of the football federation," she recounted. "They were even telling me I'm so impatient, sometimes aggressive. You know, that's how we get our things done. They didn't really like it, but we got the football ground in the end."

Other amenities followed. A footpath. A biking trail. Places for women, places for children. "We thought about the youth and about unemployed school dropouts. They like to play the guitar and sing and dance and do all those somersaults. And so, we made a place for them also, an open-air theatre."

Ngawang received outdoor exercise equipment from the Ministry of Health. This new equipment was located right below the Dzong. "It was so popular during my time there. The cycling machines - so popular with local women. They lost weight and became very healthy. Village women also played football, and they were very happy and healthy. And we had a marathon once a year, 10 kilometers for women and 12 kilometers for men."

The Structure Plan

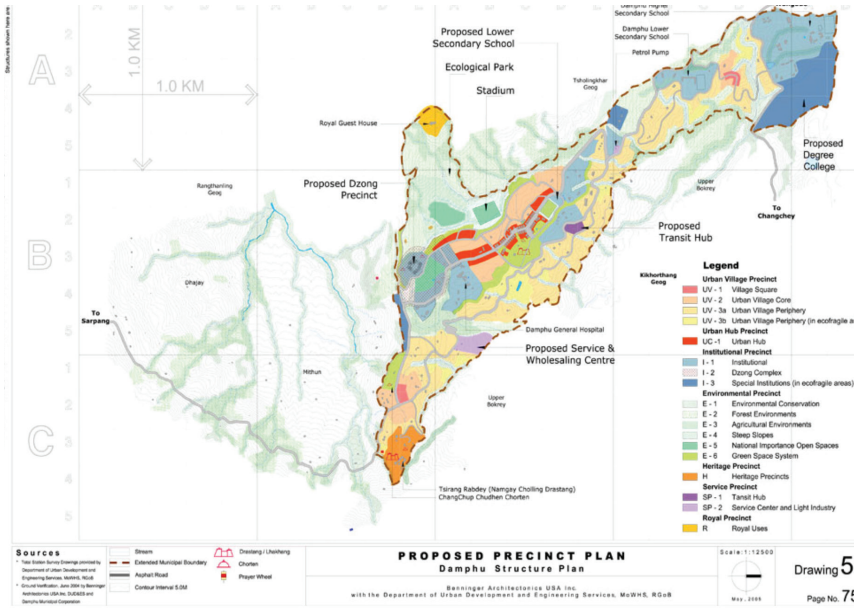
During her first years in office, Ngawang made a discovery. Almost a decade before, international consultants had prepared a thorough

"structure plan" for Damphu and the surrounding area. In Bhutan, a structure plan is a necessity for infrastructure development in a town.

"The structure plan was so inspirational. I believe it was written by consultants with the Ministry of Works and Human Settlement. And I think they took ten years to come out with that plan. When I went through that plan, I thought 'It is so beautiful, so beautiful.'"

The structure plan Ngawang saw had been completed in 2004 by a team led by Prof. Christopher Benninger of CCBA Designs, India (see Figure 7.1).

Figure 7.1. Part of the Damphu Structure Plan, 2004



The structure plan's key ideas were visionary:

At the core of the town is a retailing precinct, with arcaded shops surrounding a pedestrian garden lane of shaded trees. The new structure plan for Damphu will create an institutional precinct to house colleges and technical training facilities. There will be an open space system allowing pedestrian movement between recreation, sport, garden and conservation areas.

A bye-pass road, diverting future traffic moving from southern

to northern Bhutan, will avoid congestion and accidents. The central retail core will be pedestrianized with a loop artery around it servicing parking nodes. The town will form a node in a proposed Bhutan tourist triangle. A range of hospitality facilities will be connected through the "green fingers" of the open space system to the cozy, central town core.[64]

"It fit so nicely with our beautification plans," Ngawang said. And many of the structure plan's ideas were later implemented by her and her successor.

For example, one key idea was a 1.8-kilometer highway bypass so that traffic could go around and not through Damphu. This road was to be financed by the Government of India under one of its Small Development Projects. Construction began in 2007, but after excavating about 800 meters, the project was closed because of "a lack of budget." The project was finally completed in 2016.[65]

The beautification idea spread. "Shortly after the park in Damphu," she recalled, "we worked on waste management issues in Tsirang's twelve gewogs. At the same time, we started beautification in some of them. They have done really well." And as of 2021, beautification efforts are underway in localities throughout Bhutan.

Praise from His Majesty The King

Before Ngawang left office, His Majesty The King paid a visit to Damphu while he undertook a long bicycle trip around the country. Via the Honorable Dasho Zimpon, the King sent her words of appreciation, which she has treasured.

"His Majesty is most impressed by Damphu Town—clean, good footpaths, green areas, flower gardens, etc."

"His Majesty also greatly appreciated the children's park, the beautiful signboards, the tastefully done botanical garden etc."

"Within a short span of time, Dzongda Ngawang has transformed Tsirang. Well done."[66]

8. A Partnership for Educational Innovation

When Jigme Choden, the Principal of Motithang Higher Secondary School, was chosen to attend the first batch of the School Leaders Development Program (SLDP) at the Royal Institute for Governance and Strategic Studies (RIGSS) in June 2021, she was sure she would learn a lot.

What she didn't anticipate was receiving the inspiration to innovate even more. "For the first time, we were taught how to lead," Jigme recalled.

During the two-week course, 25 principals from across the country had the opportunity to share knowledge and ideas with each other. The principals were taught by distinguished practitioners and professors, including Ujjwal D. Dahal, the Director of the Department of InnoTech at Druk Holding and Investments (DHI). Ujjwal led the principals in a full-day session called "Leveraging Technology for Life-long Learning." Jigme was deeply impressed. "Ujjwal is such a dynamic person, who does so many exciting things at DHI."

At the SLDP closing ceremony, His Majesty The King granted a virtual audience. When His Majesty said, "I will be behind you all. I will support you all," it brought tears to her eyes. Afterwards, she and other principals passionately declared their commitment to work even harder for school reform in Bhutan.

After returning to her school, Jigme excitedly shared with her colleagues some of what she had learned. They were impressed. She thought, maybe I can invite some of the RIGSS instructors to speak to our teachers and staff. She tried out this idea on RIGSS Director Chewang Rinzin, who encouraged her. Soon Chewang found himself addressing the teachers at Jigme's school on "Professionalism in Public Service."

Jigme invited other RIGSS lecturers to speak at her school. Dasho Karma Tshiteem conducted a successful session on "Leadership of the Self." And Ujjwal gave a charismatic talk about educational technology, including the importance of student-directed learning with both hardware and software.

Motithang Higher Secondary School

Motithang Higher Secondary School is in Thimphu district. When the school was established in 1975, it had only one building, fourteen teachers, and 235 students in classes ranging from I to VIII. By 2021, it had become a higher secondary school with 64 teachers and 1,156 students from classes IX to XII. For classes XI and XII, streams are offered in Science, Arts, and Commerce. There are two laboratories for information technology, where students learn simple software programming in teacher-led classes.

Students enjoy a range of extracurricular activities. A sports ground and auditorium are the homes to athletic and cultural activities ranging from marathons and sports days to concerts and theatre.

Introducing the Principal

Jigme Choden was born in Trashigang district in eastern Bhutan and raised in Punakha district. After receiving a Bachelor in Education degree from Samtse College of Education, she became a teacher in 1998. From the start, she took many leadership roles in her school. In addition to her full schedule of teaching, she led both the environmental club and the cultural club, and she was also a scoutmaster.

After serving as a teacher for only three years, Jigme was moved to apply for the position of principal at another school. She asked her own principal for his support. He agreed, even though she was so young.

The selection process involved an interview by a panel of educators. One of them asked Jigme why she wanted to become a principal.

She paused and then answered boldly, "Because I want to perform better than the principal that I'm serving."

"There was a huge laugh," she recalled later, "but they didn't kick me out. And they ended up choosing me and making me a principal at a very young age."

She has been a principal ever since—and along the way earned a Master of Education in Leadership and Management from Paro College of Education. She published a paper based on her thesis. Its title: "Women Leadership in Bhutanese Schools."[67]

Jigme Choden became the Principal of Motithang Higher Secondary School in 2015. Her tenure has been marked by a remarkable series of innovations.

For example, the school raised Nu. 3 million from financial institutions, parents, and friends to build a beautiful Lhakhang in the school for the spiritual enhancement of students. "It's a place for students and teachers who are so stressed to find quiet and inspiration." To help them, a Khenpo serves full-time at the school.

Another example is her work to launch in a single year 52 theatrical events—yes, fifty-two! —with the collaboration of the artistic entrepreneur Charmi Chheda and the Ministry of Education.

In 2021, Jigme made her students responsible for the production of the school's annual magazine. Before, the magazine was paid for by the school. Now, students had to raise the money. Jigme accompanied students to the offices of business and financial leaders and then sat silently as they made their pitch for support. "I want students to learn about business," she explained, "and how they have to speak to businesspeople."

In 2021, as a part of the experiential learning program, Jigme organized a hike in collaboration with the Bhutan Ecological Society, the United Nations, the Tourism Council of Bhutan, and the newspaper *Kuensel*. Nine teachers and 24 students took a three-day hike to revive the ancient migration trail connecting Punakha and Thimphu.

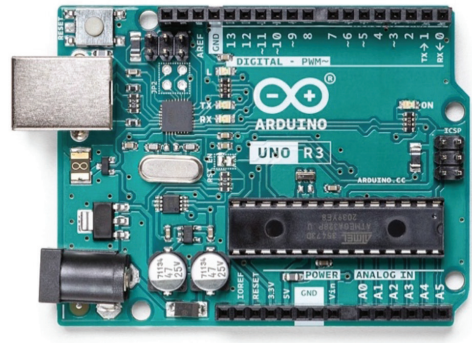
A final example of her innovative energy: Jigme raised money by renting out the football ground and the auditorium for private events. The earnings were kept in a reserve fund for the school.

A Laboratory for Technology and Innovation

Now Jigme was moved by Ujjwal to consider something completely different: a laboratory for technology and innovation.

In the typical information technology lab in secondary schools, teachers

take the lead roles, and the focus is on programming software. Principal Jigme and Ujjwal had a different philosophy and different technologies.



As she said, "This lab would be different because although teachers would be involved, students would drive the learning." And as he explained, "This different kind of lab would expose kids to automation, electronics, computer hardware and architecture. So, this lab will bring students closer to the hardware and to the fundamentals of system design and implementation." Jigme thought that such a lab could attract at least 30 passionate students in computing and programming from all levels of the school (classes IX–XII).

"Understanding challenges, and designing and building solutions, should be fundamentals in our teaching and learning process," Ujjwal argued. "We should provide an environment where kids 'learn how to learn.' Arduino provides that platform. It is an introduction for students to the fundamentals of connecting our physical world to the digital world and building systems to interact between the two."

Arduino boards are microcontrollers and microcontroller kits for building digital devices. Arduino boards include open-source software, online learning content for students, and dedicated training and support for educators. In 2021, the latest Arduino board, the Arduino Uno Rev3, cost about 20 Euros, or about Nu. 1700.

"Programming and building systems, in Arduino or otherwise, provide an avenue for young minds to imagine, plan, execute, operate and develop systems, giving a sense of a full cycle of solution development to an identified problem," Ujjwal explained. "A problem-solving mindset is an important skill in the age of Industry 4.0, and programming in Arduino, or any similar platform, provides that avenue for development."

He described some possible student projects: robots that clean pathways, robots that can pick up things from the garden, and tools for monitoring the moisture around flowers. "Students could be working on 20 or 30 projects like these," he said.

Arduino's website is even more expansive. Their products "introduce students to concepts and tools used professionally in companies around

the world for rapid prototyping, interaction design, drone technology, IoT [Internet of Things], and AI [Artificial Intelligence]."[68]

With all this in mind, Principal Jigme began to dream. How could we create a laboratory at the school where students could learn to use the Arduino board? Where they could work when they wished, even after school hours, and be encouraged to lead their own learning?

Moving from dream to scheme, she had to confront some practicalities of innovation. She would have to get her teachers and students on board. She would need technical help of many kinds. And of course, she would require financial resources.

Discussion Questions

Suppose you are helping Principal Jigme as she contemplates the creation of a technology and innovation laboratory at the Motithang Higher Secondary School.

1. To innovate, a leader needs the support of staff and students. How might Jigme generate both knowledge about and enthusiasm for an innovation and technology lab?
2. What kinds of technical help do she and the school need to make the lab a reality? How might she find that help?
3. A lab like this one is not included in the school's budget. Where might Jigme seek the needed resources?

Motithang Higher Secondary School

Getting the Support of Staff and Students

Director Ujjwal D. Dahal's exciting lecture at the Motithang Higher Secondary School was a catalyst. He told the teachers and staff how a technological platform like Arduino was used in schools around the world to introduce technological skills and sophistication used in all areas of industry. And he explained that Arduino was also a tool for artists—including student artists.

His enthusiasm was contagious. The school's teachers in information technology told Principal Jigme Choden they would love to learn more.

She got in touch with Ujjwal and told him how effective his message had been. He was delighted.

He offered to arrange a two-day workshop for teachers at Druk Holding and Investments (DHI). He suggested the topic: "Arduino to Promote STEM Education in Bhutan." In addition to teachers from Motithang, Ujjwal invited some teachers from other local schools he knew, including his son's school.

The workshop was led by the passionate experts from the DHI Research and Innovation Venture Excellence (DRIVE) and InnoTech, and Ujjwal himself made an appearance. The hands-on demonstrations thrilled the teachers from Motithang. They returned to the school with a message for their colleagues: the Arduino boards and learning materials could open many doors for many students.

Jigme was pleased. She again expressed her abundant thanks to Ujjwal. In the course of their conversation, she wondered if some of his team would be willing to do a demonstration at the school, this time for students.

"Yes!" said Ujjwal, and once again he and his team contributed their expertise willingly and free of charge. The demonstration was a big hit. "The workshop was supposed to be over at one o'clock," Jigme recalled, "but the students got so interested that it went until four."

The principal herself fired up the students' enthusiasm. "I told them I wanted this to be their lab. A place they could come to any time. After school or even during school. I told them that if they wanted to skip a class and go to the lab instead, that was fine with me."

Hearing that, the students laughed and applauded.

First step accomplished: the teachers and students were enthusiastically on board.

Finding Technical Help

Ujjwal and his team had done so much already, but Jigme wasn't afraid to approach them with more questions.

She asked Ujjwal what the school would need to set up an Arduino-based Laboratory for Technology and Innovation. Fortunately, the Arduino platform has abundant, free resources for educators. Ujjwal was able to show the teachers many examples.

What about the hardware? Again, Arduino has plenty of accessible, on-line information, and the microcontrollers are relatively inexpensive. Ujjwal offered additional information about what DHI had—and more importantly, what hardware the school might consider getting for the new lab. Ujjwal's team even came up with a procurement list: a Bill of Quantities with specifications, prices and sources. This led to a tentative budget for the new lab.

Finding Resources

The estimated hardware budget for starting up the School's Laboratory for Technology and Innovation was Nu. 190,000. About Nu. 160,000 was for Arduino equipment, which would be ordered from an Indian supplier recommended by Ujjwal and DHI. The other Nu. 30,000 was for locally sourced hardware such as cables.

Where would the money come from? "We had a reserve fund from renting the football ground and the multi-purpose hall," Jigme said, "and revenues from school concerts and fete day. We decided to use that money to get the new laboratory up and running."

Were those fungible funds the only way? "No," Jigme replied. "Our experience is that to raise funds is not difficult unless you want to raise *so much*." And even for large sums, she had a great record of success. The school had raised Nu. 3 million to create the spectacular Lhakhang within the school, and the contributors included financial institutions, parents and alumni.

As noted above, in 2021 Jigme had outsourced to students the production and financing of the annual school magazine. They now had a taste of fundraising. With their enthusiasm for the new lab, perhaps in the future they could help garner the financing for next big innovation.

Next innovation? Already thinking ahead?

"Ujjwal and I have been talking about a Fab Lab[69] for the school," she smiled.

9. Leading Collaboration as a New Employee

So far, we have considered various kinds of collaboration across the public-private-citizen divide. An event, such as the Highland Cultural Festival. A project, such as the clean-up and beautification of a city. A "new line of business," such as adding a laboratory for design and innovation at a high school. In this chapter, we consider the creation of a new government job, whose very purpose is to catalyze collaboration across the public-private divide: the local Economic Development Officer.

Imagine you are a 23-year-old self-described "newbie"—a brand-new government employee in Bhutan. You are one of nine Economic Development Officers, a newly created position in the Bhutanese government. Your job is to lead innovations across the public-private-citizen divide. You're also asked to plan and mobilize collaboration among various government agencies. And you're to do all this in a far-flung region you've never even visited.

Please meet Chimi Yuden, the first Economic Development Officer for Trashi Yangtse district.

An Auspicious Start

On the morning of February 11, 2019, Chimi Yuden arrived for the first time at her new posting in Trashi Yangtse Dzongkhag. She was excited—but she also felt some trepidation. And the first moments didn't quite go as planned.

Her father had consulted astrologers to find the most auspicious time for Chimi to report to work on her first day. The answer was 9:00 a.m. So, at 8:45 that day, her mother drove her into the parking area of the Dzong. The Dzongrab [deputy governor] happened to be in the parking

lot, saw Chimi, and greeted her. It was premature, she thought, and it was before that auspicious time.

Chimi bowed to him elaborately. "Too elaborately, I learnt later," she recounted. "I didn't know what the right protocol was. In my bow, I stepped forward with one foot, swooped my arms way up above my head, and made a deep reach with both hands to the ground."

The Dzongrab smiled but didn't say anything.

Then the Dzongda [governor] arrived in the parking lot. It was still before the auspicious time.

Chimi made another dramatic bow, and she received another smile. It was only later that she found out a simpler bow was in order.

They went into the Dzong. During their brief conversation, the Dzongda asked Chimi why she had wanted to work in Trashi Yangtse.

"I told him I had never been to the east of Bhutan before, but I had heard about it from relatives. And when I googled Trashi Yangtse, I saw it was such a beautiful place."

Where was her office? The Dzongkhag was not well prepared for its new Economic Development Officer. "When I arrived, they did not have an office designated for me. No table, no furniture, no laptop. Luckily, in that first week, there were two festivals back-to-back. While I worked on the festivals with the other Dzongkhag officials, I had time to requisition the things I needed."

Chimi Yuden

Chimi Yuden was born and raised in the capital city, Thimphu. She completed her Bachelor of Science in Public Health in May 2018 from Asian University for Women, Bangladesh.

After graduation, Chimi's parents wanted her to sit for the Royal Civil Service Examination. ("That's so typical of parents in Bhutan," she smiled.) But Chimi didn't want to be tied down to a long-term position before she was sure about what she really wanted to do. Against her parents' wishes, Chimi applied for short-term contract positions in the government where she could leave

with a month's notice in case the work was not to her liking.

In Bhutan's Civil Service Rules and Regulations, contract employees are recruited for:

1. Time-bound projects and programs;
2. Meeting short-term human resource requirements in the Civil Service;
3. Regular positions where there are deployment or other challenges; and
4. Assess/experiment new positions to validate requirement.

These contract positions come in two types: Regular and Consolidated. Regular contract employees are eligible for a 30 percent contract allowance. Consolidated contract employees receive no such allowance—and they also have fewer benefits of other kinds.

In October 2018, the new post of Economic Development Officer was announced. Chimi applied for the job. After a detailed process, she was selected to become one of the first nine EDOs in Bhutan.

The new position's responsibilities were vast (see Table 9.1).

Table 9.1. Terms of Reference for Economic Development Officers

a. Identify business opportunities and initiate promotional activities;
b. Coordinate with sectors and integrate economic development activities in the overall Dzongkhag/Thromde Plan;
c. Facilitate development of sectoral plans and programs for promotion of economic activities;
d. Serve as Member Secretary to any economic development related forums;
e. Serve as focal person for Priority Sector Lending scheme;
f. Serve as focal person for all services related to TCB [Tourism Council of Bhutan];
g. Facilitate development of business proposals with relevant government agencies;
h. Facilitate in processing sectoral clearances (community forest, environment, Road etc.) for the construction of roadside amenities (RSAs), viewpoints, campsites and trek routes;

i. Identify and recommend potential CSIs [cottage and small industries] for various schemes such as Rural Industry Development Scheme, Bhutan Enterprise Award, PSL Scheme and other business promotion incentives;
j. Identify and recommend proposals for tourism products and services including RSAs.
k. Liaise with the Department of Agricultural Marketing and Cooperatives (DAMC) on proposals related to agro-based business and marketing activities;
l. Liaise with Dzongkhag Statistical Officers for the conduct of relevant surveys from time to time;
m. Maintain business resource inventory including tourism services and products;
n. Facilitate assessment of tourist accommodations and other related services;
o. Undertake training needs analysis pertaining to the cottage and small businesses including tourism sector;
p. Conduct business and consumer advocacy workshops/ trainings in collaboration with relevant government agencies;
q. Provide advisory services to walk-in clients; [description ends here] [70]

This job was anything but a traditional civil service position. EDOs were expected to provide *leadership across the public-private-citizen divide*. For example, look at the first two headings in Table 9.1. EDOs are entrepreneurs who "identify business opportunities and initiate promotional activities." And they are facilitators who "coordinate with sectors and integrate economic development activities."

Their domains are many. The terms of reference mention cottage and small industries, consumer advocacy, and a "business resource inventory including tourism services and products." And EDOs should be ready to "provide advisory services to walk-in clients."

Moreover, EDOs were expected to work *across various agencies of government*. EDOs should "facilitate development of business proposals with relevant government agencies." EDOs should galvanize collaboration with local, regional, and national government bodies, including the Department of Agricultural Marketing and Cooperatives,

the Tourism Council of Bhutan, the Royal Monetary Authority regarding the Priority Sector Lending Scheme, the Department of Cottage and Small Industry regarding the Rural Industry Development Scheme, and the many government bodies involved in infrastructure.

Finally, the EDO would be both a planner—"facilitate development of sectoral plans and programs for promotion of economic activities"—and, liaising with the statistical office, a designer of surveys.

What vast and exciting terms of reference. Note how they go far beyond the typical role of a civil servant. They require bold and humble leadership—and by junior employees, some of them new to the civil service.

Preparations

The new Economic Development Officers faced obstacles right from the start. The post had been announced as a Regular Contract position.[71] But after accepting the offer (and spreading the good news to their friends and families), the new EDOs learned that "Human Resources had made a mistake." The position would be a consolidated contract instead, with lower pay and fewer benefits.

"We fought for the announced Regular contract, but it was to no avail," Chimi recalled. "I chose to stay because I wanted to explore things anyway. I thought this job would allow me to work on various projects that would help an individual or a community, and I could put into practice what I always felt about helping others. It was like volunteering but with a monetary incentive. I didn't want to resign before I even got started."

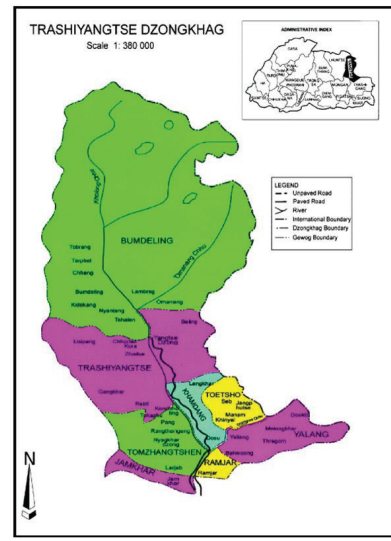
So, Chimi went forward. Despite the vast tasks that EDOs would be asked to perform, their induction period lasted only two weeks.

"In January 2019, we were briefed and introduced to all the departments in the Ministry of Economic Affairs. Also to the Tourism Council of Bhutan and the Royal Monetary Authority. We made field visits to the Pasakha Industrial Estate, the Damdum Industrial Park in Samtse, and some homestays in Haa."

"The best thing about the induction program," Chimi recalled, "was that the new EDOs came to know each other."

Soon thereafter, she and her mother began their overland journey to Trashi Yangtse.

Trashi Yangtse



Trashi Yangtse is one of Bhutan's twenty Dzongkhags. Located in the northeast of the country, it borders both China and India. It has eight Gewogs, nine "religious institutions," and 504 religious monuments.

In 2020, the population was fewer than 20,000 people. The district spans 1439 square kilometers, and the elevations range from 500 meters all the way up to 5400 meters in the great Himalayas. About three-quarters of Trashi Yangtse is classified as under forest.[72]

The economy is largely agricultural, and about 11 percent of the population is categorized as poor. The district has only three doctors and one hospital. On the other hand, the 2020 data indicated that every citizen of Trashi Yangtse enjoyed clean water and had access to "improved sanitation." Fewer than 1 percent of the population were classified as unemployed.

The Dzongkhag's budget outlay for 2019–2020 was about Nu. 628 million, divided roughly equally between current expenditures and capital expenditures. Over the period of the *12th Five-Year Plan (2018–2023)*, the "total plan outlay" was Nu. 1,309.51 million, more than 2.4 times higher than in the 11th Five-Year Plan. This was consistent with Bhutan's general strategy. As former Prime Minister Tshering Tobgay noted, "The 12*th* FYP Guideline takes decentralization further to the grassroots through almost doubling the share of resources to the Local Government from the plan allocation. From the current plan share of 30 percent of capital allocation, the 12*th* FYP provides for increasing the capital share to 50 percent."[73] About a third of the 12th Plan's outlay in Trashi Yangtse was in education—this was 2.7 times higher than the previous plan.[74]

"What Am I Supposed to Do?"

"My terms of reference were vast," Chimi Yuden recalled. "They said you had to facilitate businesses, be a tourism focal person, and

promote and support cottage and small industries. But I did not know what to do. There wasn't any manual for the job. And the job of EDO was itself new. There were eight newly appointed EDOs like me in other districts, and none of us knew exactly what to do."

"In fact, I soon realized there were *so many things* I didn't know," Chimi laughed. "I didn't understand how the Dzongkhag worked or about its relationship with the Gewogs. I had read about them in schoolbooks, but I really didn't know anything."

Of the nine new EDOs, four were lateral transfers in the civil service; they were all men. "Four other women and I were new contract employees, and we were posted in remote districts like Trashi Yangtse. The only support the nine EDOs had was each other. I think we all struggled!"

The Planning Officer

Before the advent of the EDOs, the Planning Officers in each district were responsible for most of the duties listed under the portfolio of the new Economic Development Officers. Trashi Yangtse's Planning Officer did not want to give the work to her.

"Because I was new, I didn't know how to deal with this. And because he didn't hand over the work to me, I couldn't proceed."

After some time, she decided to go to the Planning Officer and offered to collaborate and work together. He agreed.

"But I heard later from some of my colleagues that he wanted me to be under his unit, which is not the way the structure is supposed to be. I was told that he wanted me to be submissive and follow his orders."

Chimi gingerly asked her new colleagues about how the Dzongkhag worked. The district had 618 employees in 2019, of whom 402 were classified as "professional and technical," including 158 in the lowest category, P5.[75] She learned about the Annual Performance Agreement the Dzongkhag has with the central government. She learned about the financial year which runs from July to June. She was trying to figure out where she fit in.

"One thing I knew for sure is that I should be the focal point for tourism. So, I decided to go ahead with that, anyway."

In 2018, official tourism statistics recorded only 820 visitors to Trashi Yangtse, compared with 274,097 for Bhutan as a whole.[76] Chimi learned about government activities to develop tourist sites in Trashi Yangtse. One project was to maintain trails and build tourism infrastructure like restrooms and gazebos near sacred places that

pilgrims visit. She met the site engineer.

"We talked and he said, 'We have to go to those places.' I actually did not have any idea where they were, but I went with him. I didn't realize we would have to walk a lot, and I was wearing something like slippers and I trekked in them!"

The Tourism Council of Bhutan was rolling out a five-year plan. One or two representatives from each district were invited to Thimphu to bring along potential district-level tourism products for the TCB's "flagship programs." The districts would be the implementing agencies for these federally funded initiatives.

For Trashi Yangtse, the winning idea was an arts-and-crafts festival. It would also include ecotourism, trails, wellness tourism, and showcasing of different cuisines. The three-day festival would coincide with the new year's celebration according to the lunar calendar—a major event in eastern Bhutan.

It was the middle of 2019—Chimi had only been in her position for four or five months—when "the Dzongda made me the focal person for the festival. It was a huge job."

"I put up an outline with all that needed to be done and what the plan was, which I presented to all the district sector heads and regional heads. We had so many consultative meetings inside the Dzongkhag, and one with a visit by the TCB. Everyone said they would help. But after the meetings were over and there were deadlines to complete those agreed-upon works and plans, I had to keep on following up. I felt more and more frustrated. Later I felt that the problem was that I didn't know how to ask for help, and not the absence of assistance. Also, I was an inexperienced newbie whereas I was positioned to manage a huge project with experienced officers and managers—lions led by a sheep.

"All these plans—when I would ask if they had procured the decorative items or were progressing on the archery grounds or the trails—at each subsequent meeting, I didn't see any results. And I began to worry that the festival wouldn't turn out well. At night, I cried a lot."

Then a new, additional task blindsided Chimi. The Planning Officer asked her to write a report about two Japanese-funded activities that had commenced well before she arrived. One was an irrigation channel, and the other was a Common Facility Centre for traditional handmade papermaking. The evaluation should include "accountability, budgeting, in other words, or a

full report." She investigated the documents and found many of them unintelligible.

She met with the Finance Officer and another officer about the documents and the task. Things looked impossible—she was blocked from what she should be doing and then asked to take on someone else's tasks. In her dismay, Chimi broke into tears in front of them.

This story immediately got back to the Dzongda. He asked both the Planning Officer and Chimi Yuden to meet him in his office the next day.

Discussion Questions

Put yourself in Chimi Yuden's shoes.

1. How should she go about finding out "what her job is"?
2. How should she prepare for her meeting with the Dzongda and the Planning Officer?

Chimi Yuden and a hewer of burl bowls

The Meeting and the Aftermath

Chimi Yuden's meeting with the Dzongda and the Planning Officer went well. The Dzongda was fully aware of the Economic Development Officer job but not quite so aware of the fact that much of it was still being shouldered by the Planning Officer. The Dzongda's big message was for the Planning Officer to let Chimi do her job as the EDO.

"The terms of reference are there," the Dzongda said. "Enable her to do her job."

To Chimi's surprise, the Planning Officer responded by praising her.

"Sir, she is a very capable officer."

The Dzongda turned to Chimi and said, "You have a big and important portfolio. I hope you can carry it out."

Chimi took it the right way—as his vote of confidence in this 23-year-old Economic Development Officer, full of energy, full of a desire to help businesses and people in need.

Culture Shock

With the jobs of EDO and Planning Officer clarified, Chimi was not constrained in moving ahead. Indeed, as it happened the Planning Officer soon left the scene—first on paternity leave and then to pursue graduate studies in Thimphu.

But the new EDO had to figure out how to take those large and vague terms of reference and make them operational. Putting it another way: "What on earth am I supposed to do?"

Because the position of Economic Development Officer was new in Bhutan, other people were posing the same question—in particular, the other new EDOs.

"The nine EDOs had become close during our induction period," Chimi said. "And we were in touch all the time on a chat group and by phone."

Many of them, especially the five women posted in remote areas, experienced culture shock.

"We struggled to understand who we were. Here we were, young people used to freedom, and we were placed in positions that required completely different behavior. More formal. Lots of new rules. For example, in the Dzongkhag I kept calling the older officials 'Uncle' and 'Auntie.' This was so wrong! Only after a while did I learn to call them 'Sir' and 'Madam.'"

Both geographically and institutionally, Chimi recalled, "We felt we didn't belong."

The new EDOs shared their stories with each other, the good and the not-so-good. Chimi found one other EDO who became like a mentor.

"He was older, ahead of us. A very nice person, and I could call him and vent and even cry to him," she said. "He listened. Many times, that is what really mattered—to have someone who would listen to your troubles. It was a great relief."

During her first year on the job, Chimi returned to her hometown of Thimphu for training. She saw her parents, her family, and her friends. She had felt homesick all along, but now her homesickness erupted. On the drive back to Trashi Yangtse with a colleague, she expressed her grief. After returning, she called the fellow EDO who was like a mentor and shared her feelings.

"Both of them told me the same thing, in their own ways. If I really was unhappy, I should just quit, leave the job."

But she soon rejected that idea. The emotional swings were serious but temporary. She decided that quitting was not for her.

"How could I abandon projects I had at hand, with work half done and the related beneficiaries? With the importance of economic development in Trashi Yangtse? And I felt I could not disappoint the people who had shown confidence in me and the important work I was supposed to take on."

Moving Ahead with Collaboration

Over the months that followed, Chimi had many adventures in leadership across the public-private-citizen divide.

Chimi helped cottage and small industries in areas like traditional paper making, home industries in wine and *ara* (a local brandy), making tea from distinctive local plants, and homestays for tourists.

She helped local people navigate the what, why, and how of permits and licenses.

She connected businesspeople and entrepreneurs with training opportunities, which were plentiful and financed by the central government but unknown to locals.

With the approval of the Dzongda, Chimi and the Dzongkhag Information and Communications Officer worked with a digital content creator Pema Choden Tenzin (PemC) of Yeegetaway on the production of a six-part travel video on Trashi Yangtse. These beautifully filmed and narrated travelogues included crafts and food, sacred sites, and gorgeous scenery. Chimi accompanied PemC and her crew throughout the filming process.

"I had to help calm some of the village people," Chimi recalled with a

laugh. “They were alarmed by the film crew’s use of drones. They had never seen such things. They were worried that these things would harm them or their crops.”

Chimi helped arrange a handicraft and food festival. Alas, COVID-19 postponed this effort. But the plans were ready for future use.

“We improved the way to Omba Ney, which some people call the Tiger’s Nest of the east,” Chimi said. “It is a spectacular monastery with an arduous trail. With the help of the Swiss government, the district put in resting points with toilets and so forth. We also trained the fifteen households in the village of Omba in hospitality. Things like how to prepare teas from local plants. How to take their local fruits and vegetables and make them even more delicious for visitors. Cleanliness outside and inside their homes. If they want to create a homestay, our budget enables us to give them mattresses. We offered them training in bookkeeping.”

Chimi and her colleagues helped develop the Sherig Dzong trail. Since then, thousands of domestic pilgrims have visited the sacred Ney. By mid-2022, a log guest house with a kitchen and toilet was ready. It was managed by the community of Gangkhar, who also provide tourists with porter ponies and local guides. These steps, too, set the stage for the growth of sustainable tourism in Trashi Yangtse.

10. Collaboration Through Systems and Processes

For our next case study, we go to the Philippines. There, remarkable innovations in public-private-citizen collaboration have been made possible by something called the Performance Governance System (PGS). Our protagonist is Jonas C. Cortes, who became the mayor of the small city of Mandaue in 2007.

When he took office, Jonas Cortes had a big vision and a big set of problems. In his campaign Cortes had promised a radical transformation to raise Mandaue's profile and restore its pride. He would rekindle high-quality manufacturing. He would help the poor and the disenfranchised. He would clean up a corrupt and underperforming municipal government.

Only after the new mayor assumed office did he truly realize how difficult the challenges would be.

Mayor Cortes faced political gridlock on the city council. The vice mayor and the majority of councilors were not from his party, and they made a point of blocking his initiatives.

Municipal employees were wary. A corruption scandal in the previous administration had redounded on five employees who were "forced to follow orders" but got fired, while the mayor responsible escaped unpunished. City departments didn't work together well. Key offices responsible for accounting and engineering seemed content to perpetuate routines instead of motivate change.

Thwarted but not paralyzed, Cortes tried to mobilize business and citizens. "I laid my cards on the table in terms of what I could do and where I needed help," he said later. Cortes perceived some support, at least in the abstract. But there were few private-sector institutions to galvanize collective action. For some residents, living in Mandaue was incidental; they were from distant communities and stayed in Mandaue for mere convenience. The most vulnerable citizens lived along perilous waterways, easily battered by storms and flooding. Previous programs to help them had failed, leaving behind a residue of mistrust.

Cortes saw the need for transformation; he even envisioned

greatness for Mandaue. But how could he undertake big reforms given the political resistance, bureaucratic inertia, and history of mistrust and broken promises?

Mandaue

A densely populated city with a population of 320,000 in 2007, Mandaue is sandwiched between Cebu City, "The Queen of the South," and the popular resort town of Lapu-Lapu. (See Figure 10.1 for a map.)

Nearby Cebu City is a vibrant port city and financial center. The first Spanish settlement in the Philippines, Cebu City has been called the fount of Christianity in Asia. Its population of 800,000 people in 2007 made it the fifth most populous city in the country. *The Lonely Planet Guide* said Cebu "is like an entrée-sized Manila; it's energetic, exciting and fast-paced, or loud, dirty and ruthless, depending on your perspective." Tourism in Lapu-Lapu and around the island of Cebu, with their wonderful beaches and diving, had grown so rapidly that a new term was coined: "a ceboom."

Figure 10.1. Maps of the Philippines and Mandaue

Cebu City and Lapu-Lapu's vibrancy contrasted sharply with their neighbor. Mandaue was much poorer. Its tax base was small and stagnant. The city's income was only P633 million in 2007, while its debt was P819 million. (The exchange rate in 2007 was P34 = USD 1.) As a result, Mandaue's infrastructure, schools, and health centers lagged. The city's allocation for the Special Education Fund was only P54 million, while for senior citizens and persons with disabilities the allocation was a mere P200,000. Only 9000 "indigent members" were enrolled by the city in insurance from the Philippine Health Corporation.

Crime was an issue. Many places in Mandaue were not well-lit, and the city had only 252 police. Scandals had sullied Mandaue's reputation. National headlines had trumpeted the corruption scandal involving the previous mayor. Mandaue also received national notoriety in 2004 for the revelation that one of Asia's biggest methamphetamine laboratories was operating close by the city's police station.

Once Mandaue had stood tall. Mayor Cortes pointed out, "Unknown to many, Mandaue is home to 70% of exported furniture worldwide since the 1990s until the recent 2000s."[78] Locals still celebrate a remarkable citizens' initiative in the 1950s to fund, design, and build the city's public library. As one current city official explains, "It still serves as Mandaue's Public Library and stands as a monument for what it means to be Mandauehanon." In the library today, you can buy a souvenir book with the names of every citizen who contributed to the project.

Introducing Jonas Cortes and Jesus Estanislao

When he became mayor in 2007, Jonas C. Cortes was only 40 years old. He was no newcomer to politics. As the thirteenth child of a former mayor of Mandaue, he had grown up around City Hall. After attending local schools, he studied animal husbandry at Visayas State University. Later he returned to Mandaue and joined the municipality as a city councilor. As in many parts of the Philippines, political families are prominent in Mandaue. The man Cortes defeated in 2007 was himself the son of a former mayor—indeed,

the grandson of a former mayor as well.

Cortes' aspirations for a collaborative government were shared by Jesus P. Estanislao, head of the Institute for Solidarity in Asia, a nonprofit with important business participation. Estanislao had served eminently in a range of high positions, including Chair of the Development Bank of the Philippines, Secretary of Socio-Economic Planning, Secretary of Finance, and Director-General of the National Economic Development Authority. (In the Philippines, Secretary is equivalent to Minister.) Estanislao, who holds a Ph.D. in economics from Harvard, had also been an academic leader. He was the founding Dean of the Asian Development Bank Institute in Tokyo, and the founding President of the University of Asia and the Pacific in Manila.

Estanislao was dedicated to improving governance, as he explained in an interview:

> Together with many other civic-minded Filipinos, I participated in the long process of transition from a dictatorship to a democracy. There has been a long struggle for political freedom: regular, free, meaningful elections; respect for basic human rights; accountable government; limits to public discretion on the part of public officials; proper and efficient use of public resources. After our democratic institutions were re-established, the basic question became, "How do you make them work in the way they are supposed to work, for the benefit of all the people?" Even as the question is being answered, little by little, it remains, and it continues to pose a challenge. It is for this reason that I continue to be an advocate of good public governance.[79]

Estanislao's key vehicle for good public governance was the Institute for Solidarity in Asia (ISA), which he founded in 2000. He and ISA pioneered the Performance Governance System (PGS), which invites local government units and national agencies to collaborate with the private sector and civil society to

- articulate a shared vision of success,
- formulate measurable strategic objectives and key performance indicators, and
- align resources and priorities to fulfill those objectives on an agreed-upon timetable.

The motto of the Institute for Solidarity in Asia is "Governance is a shared responsibility."

In 2004, ISA launched the PGS in partnership with reform-minded leaders in eight "dream cities" and the Center for International Private

Enterprise, an international organization based in Washington, DC. The PGS succeeded and began to spread throughout the Philippines.

Starting the Performance Governance System in Mandaue

In 2008, after his first year in office, Mayor Cortes said he was proudest of fighting corruption and raising revenues. He highlighted a P45.6-million increase in city income and noted that the city had become more business-friendly. Over the next two years, Cortes continued doing what he could to make city government work better, and he won reelection in 2010 with 59 percent of the vote. But taking on one initiative at a time and feeling virtually alone, his efforts had fallen short of his goal of transformation.

In 2011, during a trip to Iloilo City, Mayor Cortes happened to witness the Performance Governance System in action. "Seeing the progress of that city," Cortes recalled, "opened my eyes to the heights Mandaue can reach when governance becomes a shared responsibility in the community."

Cortes immediately perceived some of PGS's virtues:

- *Vision*, developed in partnership with the city council, municipal officials, representatives of the private sector, and civil society organizations.
- *Discipline* based on clear objectives and measurable targets decided upon through a collaborative process.
- *Cascading*, where the process moves throughout the city government so that each employee is part of a collaborative team with objectives, measures, and responsibilities.

Mayor Cortes identified James Abadia as the "PGS Focal Person." Only 31, Abadia had become the Mandaue City Administrator in April of 2011. Educated in political science and a law graduate from the University of San Carlos, Abadia started his career as a legal officer in the nearby city of Lapu-Lapu. He had also worked as a radio disc jockey. He came to Mandaue in February 2011 as the mayor's executive secretary, where he quickly became "the alter ego of the mayor."

Balanced Scorecards for Government

In late 2011 Mayor Cortes took Abadia and a leadership group to meet with Estanislao and an ISA team. They learned about the Balanced

Scorecard movement, which began in the business world in the early 1990s and was the guiding concept for the Performance Governance System. A key idea is this: measure things that matter, not just things that are convenient.

As Robert S. Kaplan, one of the founders of the Balanced Scorecard, later mused:

> Our interest in measurement for driving performance improvements arose from a belief articulated more than a century earlier by a prominent British scientist, Lord Kelvin:
>
> I often say that when you can measure what you are speaking about, and express it in numbers, you know something about it; but when you cannot measure it, when you cannot express it in numbers, your knowledge is of a meager and unsatisfactory kind.
>
> If you cannot measure it, you cannot improve it.
>
> Norton and I believed that measurement was as fundamental to managers as it was for scientists. If companies were to improve the management of their intangible assets, they had to integrate the measurement of intangible assets into their management systems.[80]

In business, this means moving beyond attaining important but limited short-term financial measures. In government, it means going beyond providing inputs and meeting budget constraints to achieving social and political outcomes.

But which outcomes? Kaplan and Norton quickly realized that Balanced Scorecards had to begin with hard thinking about *purposes*. "Thus, while our initial article had a subtitle, 'Measures that Drive Performance,' we soon learned that we had to start not with measures but with descriptions of what the company wanted to accomplish. It turned out that selection of measures was much simpler after company executives described their strategies [and] multiple strategic objectives…"[81] So, according to the Balanced Scorecard Institute, "The balanced scorecard is a management system (not only a measurement system) that enables organizations to clarify their vision and strategy and translate them into action."[82]

In 2007, Kaplan and Norton outlined four key steps:

> The first process—*translating the vision*—helps managers build a consensus concerning a company's strategy and express it in terms that can guide action at the local level. The second—*communicating and linking*—calls for communicating a strategy at all levels of the organization and linking it with unit and individual goals. The third—*business planning*—enables companies to integrate their business plans with their financial plans. The fourth—*feedback and learning*—gives companies the capacity for strategic learning, which consists

of gathering feedback, testing the hypotheses on which a strategy is based, and making necessary adjustments.[83]

The PGS extended these ideas to the public sector (see Box 10.1). A government's goals are even broader than a corporation's. To understand public purposes requires participation by government, business, and civil society; and so does achieving those purposes, since these actors are vital to implementation. As Estanislao emphasized,

> Note that at [the PGS's] core is a shared Vision, which is formulated through an open process before it gets to be formally adopted by the enterprise's top leadership. The shared Vision comes out of a "convening", which was open to representatives from all levels of the enterprise as well as from its external stakeholders.[84]

Box 10.1. Eight Elements of the Performance Governance System[85]

Element 1. Governance Charter. Participants are asked to reflect on what values they deem most important. Next is the mission statement, which answers three fundamental questions. What principal problems does the city government seek to address? What is it doing to address them? Who are the primary beneficiaries? Then comes the vision, which asks how they want the world to perceive their city in the medium and long term. The PGS suggests that a good vision statement has three ingredients: (1) A stretch goal: challenging, ambitious, and measurable; (2) A definition of niche: what makes the goal unique or differentiated. (3) Time bound (three to ten years).

Element 2. Strategy Map. What is the route to that vision? The PGS suggests five "perspectives": Customer (e.g., investors, tourists, local enterprises, farmers), Process Excellence, Employee Learning and Growth, Finance, and Citizens. Then under each perspective, two to three "strategy objectives" are identified. A Strategy Map, unlike the customary strategic plan crafted by planning experts, has participants work together to formulate those 12 to 15 strategy objectives over the course of a workshop lasting a day or two. The Strategy Map occupies one page and is designed for easy and effective communication.

Element 3. Performance Scorecard. Different from ordinary management scorecards, it is strategic (not operational), interconnected (not narrowly departmental),

and about performance (not projects). It has two kinds of metrics: actions and results. Each action is assigned to a Vision-Aligned Circle (VAC), a small ad hoc group of employees who work part-time to implement a particular strategic initiative, which has a metric that is tied to the scorecard. The idea behind VACs is simple yet revolutionary: get everyone to commit 20% of their time for strategic work. VACs give employees an opportunity to do things together across departmental lines.

Element 4. Office for Strategy Management. This office is devoted full-time to managing the execution of the strategy. The OSM is the expert in strategy management within the organization. It advises and monitors the VACs' weekly review meetings. The OSM also organizes monthly strategic review meetings across the VACs, where movements on the Performance Scorecard are reviewed and then reported to the mayor.

Element 5. Cascading. "Organizations must go beyond merely disseminating information to actually securing people's buy-in and involving them in concrete programs. This process is called 'cascading.'" VACs are the key to cascading. Together, VAC members identify a term goal, which they call their Pinaka-Importanteng Gawain (PIG), and work on it within a time frame of six months. A PIG should be "worthy and winnable enough to impact the strategy."[86] And when goals are completed, a "VAC revalida" requires the team to report on their progress and accomplishments before a set of panelists and a general audience.

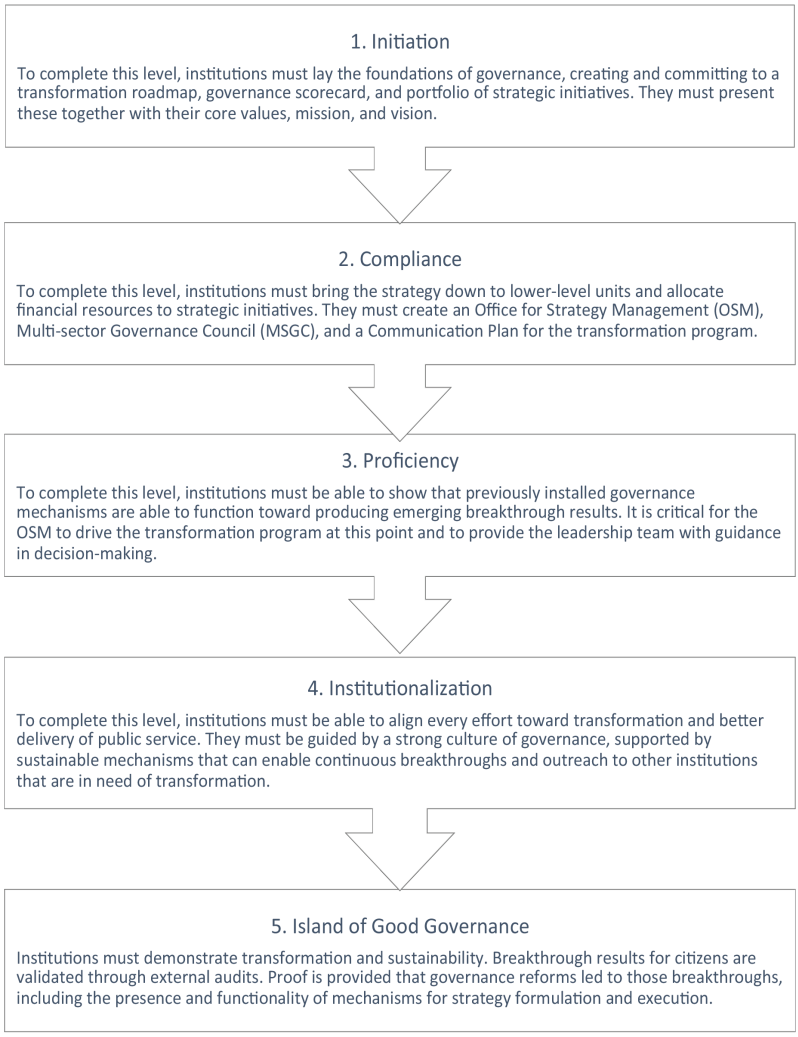
Element 6. Multi-Sectoral Governance Coalitions. Compared with other local stakeholder bodies, the MSGC maintains the city's transformation agenda in spite of changes in leadership. It is independent and goes beyond the term of the mayor. Two principles apply: the MSGC is self-propelling, and it does things that support the strategic goal of the city, both tracking results and taking on concrete projects of its own.

Element 7. Governance Culture. Help career civil servants grow as professionals and as emissaries of their institution's vision, mission, and values. For example, ISA helps cities institute a 5S program, a Japanese innovation that uses five concepts: sort, simplify, sweep, standardize, and sustain. ("Sweep" means keeping the work area clean.)

Element 8. Governance Outreach. Cities pass along their knowledge about the PGS to others—for example, to barangays and schools.

After collaborating on a city's vision and mission, the PGS partnership of government, business, and civil society defines strategic objectives, creates a scorecard, and lays out an action plan. The ISA developed a rigorous accreditation process that certifies five stages of PGS achievement: Initiation, Compliance, Proficiency, Institutionalization, and Island of Good Governance (see Figure 10.2).

Figure 10.2. Stages of the Performance Governance System



To complete each stage and graduate to the next, a city must meet specific performance targets which are verified by ISA reviewers. By the stage of "Island of Good Governance," a city will have achieved externally verified "breakthrough results" in delivery of social services, stakeholder satisfaction, and financial autonomy. Progressing through these stages may take four to six years.

Systematic Collaboration of Three Kinds

The PGS requires three new kinds of collaborative organizations within the city government and with partners in the private sector.

The first new collaborative mechanism is within the city government. The new Office of Strategy Management (OSM) is the internal vanguard of collaboration. It develops accountability mechanisms across the city's departments, while also offering technical assistance and guidance so that activities and policies are strategically aligned to the vision statement.

Second, the Mayor and the OSM create small, cross-departmental task forces within City Hall. First come Vision-Aligned Circles (VACs), which carry out high-priority activities with approximately six-month deadlines. Members of VACs work about one-fifth time on these new, shared responsibilities. The various VACs meet together weekly to review their progress. VACs imply extra work. But when they succeed, they generate commitment, excitement, and results.

The third new mechanism is the Multi-Sectoral Governance Coalitions (MSGC). The MSGC provides a platform to engage the private and civil sectors, thereby bridging gaps between citizens and the political process. The MSGC advises and supports the reform process, and it also carries out its own projects consistent with the PGS.

Visions Can Be Blurry

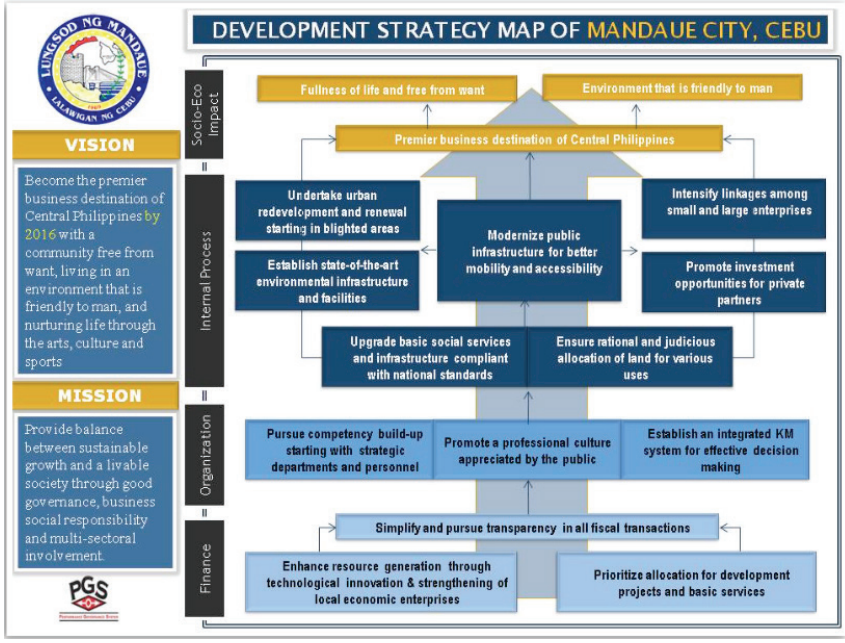
Jonas Cortes and James Abadia were intrigued by ISA's idea that "governance is a shared responsibility." Though the PGS process looked difficult, they launched the first step, creating a shared vision.

Mayor Cortes created the PGS Core Team, which included Abadia, key city officials, two city council members, the leader of the Mandaue Chamber of Commerce and Industry, and the president of a civil society organization. In late 2011 and early 2012, the PGS Core Team worked with ISA facilitators to conceptualize what a successful Mandaue might look like.

They devised this vision statement: "Become the premier business destination in Central Philippines by 2016 with a community free from want, living in an environment that is friendly to man, and nurturing life through the arts, culture, and sports." And the mission statement was this: "Provide balance between sustainable growth and a livable society through good governance, business social responsibility, and multi-sectoral involvement."

From these expansive ideas, the participants developed a Strategy Map. "To get such-and-such outcomes for our city, we need these actions, which in turn require these programs, people, and budgets." A Strategy Map simplifies complex causal relationships into something visual and easily understood.[87] At its best, the PGS process forces new thinking about these causal chains, including the possibility of doing some things very differently. Mandaue's 2012 Strategy Map appears in Figure 10.3.

Figure 10.3. 2012 Strategy Map for Mandaue



Progress and Disappointment

The ISA awarded Mandaue Initiation status in March 2012 and Compliance status in March 2013. But then progress slowed. In fact, the city's scorecard-related results were limited.

Mobilizing City Government Employees

Some of the challenges were internal. Cortes and Abadia tried to cascade PGS through the city government's 26 departments and offices. But they found that enthusiasm for PGS had ebbed. For many people, the vision and mission statements conceived a year and a half earlier now seemed abstract and utopian. In October 2013, the Institute for Solidarity in Asia suggested that Mandaue revisit its vision and mission statements, as a prelude to revamping its Strategy Map and balanced scorecard. But many high-level city employees, busy and frustrated, wondered aloud if another round of PGS "visioning" and "map-making" would simply waste their valuable time.

The Office of Strategy Management was itself a concern. Its membership included some of the key department heads. The OSM should maintain a big-picture focus on collaboration and results. It should ensure that projects across the city are aligned to the vision and mission statements, efforts are strategically coordinated and transparent, timetables are met, outputs are measurable, and outcomes are verifiable. The OSM serves as the in-house PGS experts, acting as the point of contact to guide city employees and also to hold individuals and teams accountable.

The projects undertaken through PGS require "breaking the silos" of departments through the Vision-Aligned Circles. But Cortes and Abadia perceived a certain listlessness in the OSM itself. They worried that the OSM members' line responsibilities were overpowering their roles as catalysts of collaboration.

Many of the city's employees also lacked engagement with the PGS. Identifying with a program so strongly associated with Mayor Cortes might be risky after he left office. Many employees were enervated by abstract presentations about collaboration.

Cortes longed for city employees to take up the cause as eagerly as he did, sharing in the ownership of Mandaue's transformation. He recognized that this was likely the only way reform could be realized. He wanted to uncover and address why employees were not buying into the PGS, rather than trying to figure out how he could coerce them.

The Private Sector and Civil Society

The Performance Governance System builds on partnerships with the private sector and civil society. What was needed was a platform that bridges the chasm between those who govern and the governed . . .

> This platform must be a legally recognized, institutionalized, and endowed with certain powers so as to formally influence the conceptualization and implementation of policy, programs, and projects. However, this platform must draw its strength beyond legal fiat and from the indefatigable spirit of volunteerism, community, and citizenship.[88]

As in other parts of the world, it is easy to call for "participation" and "partnership" and hard to make them real. It is easy to have a meeting or form a committee but hard to catalyze dynamic collaboration across the public-private divide.

The business community in Mandaue agreed with the big ideas of collaboration. In principle, the MSGC could serve as a resource for budding entrepreneurs and a catalyst for new investment. But for many businesspeople, the city's vision and mission were vague and the MSGC's potential unclear. At the beginning, only fifteen firms were included in the MGSC. Small- and medium-sized enterprises were not represented.

Better vision and mission statements, and a tighter Strategy Map, might help the business community re-engage. But Cortes wondered if there might be other ways to kindle private-sector participation.

Disadvantaged Citizens

A key element of the 2012 Strategy Map was to "Undertake urban development and renewal starting in blighted areas." Yet Mayor Cortes knew that even badly needed reforms had often backfired, generating distrust and even resentment among the poor.

Tensions had grown between the city government and informal settlers who illegally squatted on land owned by the government, on private property, and along the creeks and rivers. These people needed to be relocated for a variety of reasons. Some of them lived illegally on the Umapad dumpsite, sifting through garbage in search of anything of value. Other informal settlers lived on the banks of the creeks and rivers that were classified as "danger zones." Pollution from the informal settlers and nearby factories produced unsanitary and ecologically damaging conditions.

In 2006, before Mayor Cortes' first term, and again in 2009 when he was mayor, the government had forcibly relocated scavenger families from the Umapad dumpsite and provided them with free housing. This

step may have seemed logical: "These people needed better housing, and so let's provide it to them at no cost. They will of course be grateful."

But as these efforts were carried out, they did not yield the intended outcomes. The government simply ordered the settlers to leave—and if they didn't, they were coercively removed. Those being relocated did not contribute to the design or construction of their would-be new homes. Sometimes they lost their livelihoods. As a result, they resisted relocation programs that were ostensibly for their benefit. The Umapad dumpsite was not managed properly, and many families simply returned, made new shacks, and resumed their lives of scavenging.

A section of Mahiga Creek divided Mandaue and neighboring Cebu City. Both sides of the creek had hundreds of informal settlers. In 2011, destructive floods led to high costs for emergency evacuations and temporary shelters.

As a result, Cortes and the mayor of Cebu City started planning a joint effort on Mahiga Creek. But when the Cebu City mayor proposed using force to clear away squatters, Cortes objected. He pointed out that the informal settlers had nowhere to go. On principle, Cortes opposed coercion. He believed that citizens who experienced the problems should also be part of the solution.

Fortunately, Mandaue had experience with a more promising model. For years, poor people had been squatting on property owned by the city government along Tipolo Creek. When a 2007 fire destroyed many of the homes, a group of civil-society organizations called the Philippines Alliance (PA) stepped in.[89] The PA helped residents form a homeowners' association. Together, they would raise money to buy the land and then build permanent homes a safe distance away from Tipolo Creek. The city government, seeing that residents were organized and motivated to improve their living conditions, decided to donate the 9.2-hectare lot, and the Lower Tipolo Homeowner's Associations Inc. (LTHAI) resettlement project began.

This project emphasized civic dignity.[90] Employees from the Mandaue's Housing and Urban Development Office consulted with the squatters. This team went into the communities, bringing the government to the people. To maximize attendance, meetings took place on weekends for two months. The government officials explained what the relocation program was designed to do—and what it was not designed to do. They listened carefully to people's concerns. Those who wanted to resettle were helped to navigate the administrative process. No one was compelled to participate.

To enhance the sense of ownership, the Philippine Alliance invited

local architects and architecture students to work side-by-side with beneficiaries to design their homes. In addition, the squatters were offered city-guaranteed, low-interest loans over a 25-year term. The public-private collaboration contributed brick-making machines and raw materials, and the settlers provided their sweat equity by helping to construct their new homes.

As the resettlement project unfolded successfully, those who had been reluctant to move were converted. They witnessed their peers build and take ownership of better homes. And the Housing and Urban Development team, alongside the Philippine Alliance, worked tirelessly to address citizens' concerns and persuade them to move.

Could this model work for the illegal occupants along Mahiga Creek? On the other side of Mandaue, the city identified a 6.5-hectare lot that could house the hundreds of households. But unlike the LTHAI resettlement site, which was government-owned land, this lot was private property. The city government would need to purchase it. Furthermore, the site needed roads, electricity, water, and a drainage system, in addition to being backfilled and secured against its own flooding vulnerabilities (as the site was on reclaimed land).

Mayor Cortes was convinced that involving the squatters of Mahiga Creek would be crucial to addressing their challenges effectively. The benefits would go beyond avoiding flood risks and having better housing. As the LTHAI example showed, enabling the disadvantaged to set priorities, help design and build their new dwellings, and do so voluntarily enhances their civic dignity. The process mobilizes local knowledge and local action. It is politically and environmentally sustainable.

If the LTHAI model were used for the squatters along Mahiga Creek, it would have to be done quickly. In the aftermath of a devastating typhoon in 2012, a presidential order directed "the Secretary of the Interior and local governments to immediately spearhead the transfer of informal settler families living in danger and high-risk areas." Mandaue's Housing and Urban Development Office and one of the Vision-Aligned Circles were tasked with designing a policy that could both marshal the necessary resources for the resettlement *and* secure the buy-in of the beneficiaries.

A New Start?

At the end of 2013, Mayor Cortes was still excited by "governance as a share responsibility": one where goals are defined collaboratively, whose targets and measures are objective and transparent, and whose implementation takes place across departmental lines and across the

boundaries between government, business, and civil society.

And yet, Cortes was worried. Mandaue's vision and mission statements were criticized as vague and ineffective, but many officials resisted ISA's recommendation to redo that painstaking process. The Office of Strategy Management was underperforming. Many employees were not engaged. The business community, though represented in the MSGC, was not a dynamic partner. And the poor and destitute—especially those living in dumpsites and along flood-threatened creeks—were resisting programs designed to find them real homes.

Discussion Questions

Table 10.1 summarizes what the Performance Government System requires and how Mandaue's version was falling short. If you were advising Mayor Jonas Cortes, what would you recommend for each issue?

Table 10.1. Issues Facing the PGS in Mandaue in Late 2013

What PGS Requires	What Mandaue Had in 2013
Specific, powerful vision and mission statements	Idealistic statements but too general
OSM that propels reform and collaboration	OSM led by department heads who may care too much for their individual silos
Strong buy-in by city employees	Lack of support from many employees, for reasons not well understood
Business collaboration on design and implementation of strategy	Weak channels of business participation, even in key priority areas to business
MSGC is representative and potent	MSGC is circumscribed in membership and impact
Citizen participation especially on matters of key importance	The marginalized are distrustful and reluctant to participate, even in areas vital to them

11. Implementing Systemic Collaboration

At the end of 2013, Mandaue's reforming Mayor Jonas Cortes faced a number of challenges. The Performance Governance System (PGS) had worked in other cities in the Philippines, and it was underway in Mandaue. But key elements were unsatisfactory:

- The vision statement and the strategic map were perceived to be too general, and yet city employees were not thrilled about undertaking again a process to create new ones. Indeed, many rank-and-file employees were unenthusiastic about PGS, and neither the mayor nor his champion for PGS, city administrator James Abadia, knew exactly why.
- The Office of Strategy Management (OSM) was supposed to herd on the scorecard process as well as abetting cross-departmental teams ("Vision-Aligned Circles" or VACs) that work on strategic priorities. But in Mandaue, the OSM was underperforming. The "cascading" of the PGS downward in City Hall and across departments had stalled.
- The Multi-Sectoral Governance Coalitions (MSGC) was supposed to bring business and community leaders into active roles in defining actions, helping implement them, and evaluating results. But in Mandaue, the MSGC was stuck in two ways. It didn't have specific things to do. And its membership did not include the poorer segments of Mandaue nor the city's burgeoning small- and medium-sized businesses.

Mayor Cortes enjoyed the continuing help of the designers of the PGS, the Manila-based Institute for Solidarity in Asia (ISA). Comprised of business executives, activists, and academics, the ISA provides training in the PGS. It also validates and publicly rewards the completion of various stages in the implementation of the PGS. Finally, the ISA helps cities like Mandaue learn

from other cities that use the PGS, as well as from other public agencies, ranging from the Central Bank to the Armed Forces of the Philippines.

After Mandaue was certified in achieving the first two phases of the PGS (initiation and compliance), the implementation process stalled. The MSGC began to experience a kind of anomie: "Why should my business do something if others don't—or even if others do?" The OSM met with resistance among government employees, worried about politicization and also about the prospect of the PGS making them do extra work without providing extra resources.

But Cortes and his team responded brilliantly.

- With the ISA's help, they refreshed the mission and strategy.
- They worked with the MSGC to give it specific tasks it could do well that would help small- and medium-sized businesses in Mandaue.
- The OSM regrouped with a full-time leader (Jamaal James Calipayan), a new staff that did not include department heads, and a start-up mentality.
- It created a web presence with #iammandaue.
- With the MSGC, the OSM led the establishment of "concept stores," displaying examples of Mandaue's high-quality manufactured consumer goods.
- The OSM adapted a local foundation's team-building programs for use in city hall, generating a new wave of commitment.
- Finally, through public-private partnerships and great respect for the agency of the poor, Cortes' administration enabled the resettlement of people from illegal and dangerous dwellings along Mahiga Creek to new hard-walled and electrified houses in a community they helped to build. The dumpsite Umapad was a festering sore of pollution—and yet also a place where desperately poor people chose to live and to scavenge out a meagre existence. Cortes and his team worked with them to clear the organic wastes, enable a more organized and safe recycling of plastics and metals, and build parks and even a day-care center.

As a result, by the time Cortes left office in 2016, the city had sprung forth economically and socially. Investment had surged. Care for the poor had improved. City services were more efficient. Even Cortes' successor as mayor—and his future opponent in the 2019 elections—Gabriel Luis "Luigi" Quisumbing praised the turnaround under Cortes. "If I could sum it up in one phrase," he said in 2015, "it's 'night and day' what Mandaue was in 2007 and what Mandaue is now. It's a testament to [Cortes's] vision and to his leadership and the industry of every single Mandauehanon who has worked in the last nine years to make Mandaue an ideal place to live, work and play."

Revamping the OSM

The first PGS Core Team included many heads of city departments. They brought prestige and experience to the PGS initiative. But they were busy running their departments, and they had neither the time nor the custom to implement cross-departmental activities. City Administrator James Abadia himself had many responsibilities besides the PGS.

Getting an Office of Strategy Management to work well is also a challenge in the private sector, as noted by one of the founders of the Balanced Scorecard:

> . . . [W]e have proposed some entirely new processes—such as creating strategy maps and scorecards that align organizational units and employees to the strategy. Because these processes are new to most organizations, they have no natural home within the existing structure. Clearly, organizations face a complex task to implement such a complex, inter-related system . . .
>
> We have identified the need for a new organizational function, which we call the Office of Strategy Management (OSM), to be the process owner of the strategy execution system and its component processes (Kaplan & Norton 2005). The OSM has ownership for the new processes that translate and cascade the strategy, link it to operations, and organize the strategy review and strategy testing and adapting meetings. It also integrates and coordinates activities that align strategy and operations across functions and business units. The OSM, analogous to a military general's chief-of-staff keeps all the diverse organizational players - executive team, business units, regional units, support units (finance, human resources, information technology), departments, and, ultimately, the employees—aligned with each other, operating independently, when appropriate, but also coming together, as needed, to execute the enterprise's strategy.
>
> [When] the Balanced Scorecard failed in organizations . . . the failures occurred when staff groups or functional officers introduced the scorecard with the acquiescence but not the leadership and commitment of the CEO of the business unit.[91]

In Mandaue, a part-time OSM was not fulfilling these challenging tasks. Cortes and Abadia decided the PGS had to be reconfigured. The members of the Office of Strategy Management would be a separate team dedicated solely to PGS implementation.

Abadia looked for individuals whose resumes spoke of varied experiences and a willingness to explore new paths. He found five excellent candidates from the City Engineers, Housing and Urban Development Office, and Public

Information Office. All of them were under 40 years old.

One candidate was Araceli Barlam, an architect who became OSM's Strategic Execution Manager. James Abadia gave her a detailed sales pitch on the PGS and its merits. Araceli Barlam recalled "feeling drained" by the end. "The presentation was very intellectual and all new to me," she said.

But Abadia's finale persuaded her. He said her reassignment to OSM would be temporary to start, and it had such promise.

"Give it a shot!" he exhorted. "Why not? Just try it!"

Barlam did feel stagnant in her current position. Abadia's cry of "just try it!" made the prospect seem more exciting and less risky.

In this way, Abadia convinced each of the five candidates to seize the opportunity. Then he had to persuade their bosses to reassign them. This turned out not to be as difficult as he had feared. OSM team members later joked that they were such "misfits" in their previous jobs that their department heads were more than willing to let them relocate.

Cortes and Abadia had one more thing to do: appoint a full-time head of OSM. They chose 30-year-old Jamaal James Calipayan, who was serving as the Executive Assistant to the Mayor. A former activist, Calipayan had earned an undergraduate degree in English at Southwestern University and a law degree in 2010 from the University of San Carlos, in Cebu City. In 2008, he became a volunteer in the Mandaue city government and, later, worked in the Housing and Urban Development Office. He was interested in public management as well as the engagement of the disenfranchised outside government.

The new OSM soon had the feel of a start-up company. Its new headquarters was a single room with seven desks pushed against two long walls. The OSM members decorated the walls with large glossy photographs of city events, including candid shots from sessions with the Vision-Aligned Circles. A banner of motivational quotes in big red-and-white letters stretched up from the door, across the ceiling, and down the opposite wall. Next to "Integrity" and "Transparency" was "Don't stare at the closed door too long . . . you'll miss the window opening."

Revamping Mission and Vision

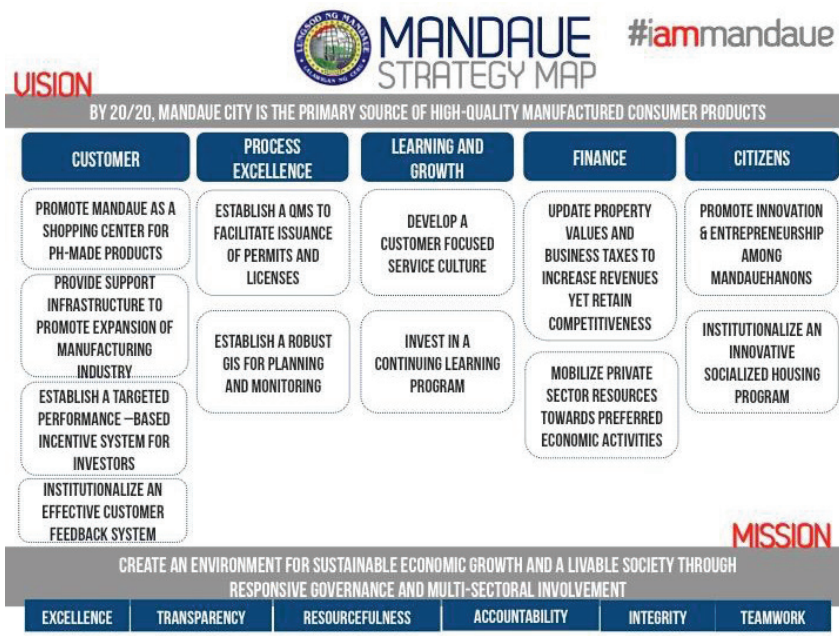
In January 2014, the Institute for Solidarity in Asia led a Mission/Values/Vision workshop in Mandaue. To drum up enthusiasm, ISA mentioned the chance for Mandaue to become an Island of Good Governance, the ISA's flagship award, in time for a celebration at a summit meeting of Asia-Pacific Economic Cooperation (APEC) that the Philippines would host in November 2015. That occasion would be a chance to show the world as well as the

nation how things had changed in Mandaue.

Governor Oliver Butalid facilitated the workshop. Participants were reminded that the city's vision "must not be vague and generic, and it must have the presence of the three elements of Kaplan and Norton": a stretch goal, a niche, and a time boundary. The participants were divided into four sectors covering political and governance, environment, economic-infrastructure, and social sector. After sharing their results, the four groups sought commonalities. Similarly, each of the four sectors was asked to propose a Vision by depicting visually how the city should look. These results were then shared and consolidated.

One result was a sharper, more exciting vision statement: "By 2020, Mandaue City is the primary source of high-quality manufactured consumer products." Beyond producing new vision and mission statements, the event helped participants exhaustively talk through where they wanted the city to go and what problems would need to be addressed. One person called the process "painstaking." This activity allowed Cortes and his team to focus on key problems, iterating toward workable strategies with quantifiable outcomes. Armed with this comprehensive rethink, ISA and Mandaue's team derived a new Strategy Map (see Figure 11.1).

Figure 11.1. Strategy Map for Mandaue in 2014



Engaging Government Employees

Why were the city's employees reluctant to engage in the PGS? To find out, the new OSM surveyed a sample of department heads, division heads, regular employees, and job-order employees. The survey focused on the teams emphasized by the PGS:

- What are your actual functions in your team?
- Does the present working environment in your team need improvement?
  If so, what areas/aspects need improvement?
- What skills or abilities do you have that can contribute to the performance of your team?
- How can your skills and abilities contribute to the success of your team?
- What values do you believe are important to have for the success of a team?
- On a scale of 1 to 10, 10 being the highest in performance, how would you rate your team? Explain why.
- What have you heard about the Performance Governance System? What do you know about it?
- What are your dreams and aspirations for the city? Please give specific and concrete transformational or developmental ideas.

The responses pointed to what might be called "rational concerns" about workload and feasibility. But there were "emotional concerns" as well. Some individuals worried that working with the PGS would commit them to the Mayor's political party. Their jobs might be endangered should the political tides change. These worries were not unfounded. The previous mayor's administration was stained with corruption, which did not end well for some employees. Decorative lampposts had been purchased for more than ten times the actual cost. Mayor Cortes' predecessor was charged with "grave misconduct," but he had already left office. Five employees had been "compelled" by the mayor's office to approve the procurement paperwork. When the scandal broke, they were fired. This episode exacerbated distrust between mayor's office and the engineers.

These findings about rational concerns and emotional concerns were consistent with a book the OSM team was reading called *Switch: How to Change Things When Change is Hard*.[92] *Switch* uses the metaphor of the Elephant and its Rider. "Perched atop the Elephant, the Rider holds the reins and seems to be the leader." But when the Elephant is fearful (or hungry), it is hard for the Rider to direct him. "Anytime the six-ton Elephant

and the Rider disagree about which direction to go, the Rider is going to lose."[93] Trying and failing to guide the Elephant, the Rider can become exhausted. But without a Rider, the Elephant roams without direction, only following undisciplined appetites, passions, and fears. Somehow both the Rider (rational) and the Elephant (emotional) need to work together. The OSM members realized they needed to engage both the rational and emotional concerns expressed by department heads and employees, and they had to be strategic about how they did so.

To address the rational side of their reluctance, employees needed to learn what PGS would and would not mean for their job duties. PGS would not amount to more work, but more efficient and strategically aligned work. But it wasn't just information that was needed. OSM needed to address the emotional side as well.

Fortunately, Mandaue had an exceptional local resource: a training and team-building program developed by the Ramon Aboitiz Foundation Inc. (RAFI), a foundation dedicated to community development.[94] RAFI had developed the Kool Adventure Camp, an immersive ropes course and development venue that facilitates "experiential learning."

Calipayan and the OSM team approached RAFI about employee engagement. RAFI had a representative serving on Mandaue's MSGC, and so RAFI was aware of the PGS and its challenges. Its experts worked closely with OSM to design a customized program for the city government, which would bring employees through the "processes of self-discovery, problem-solving, leadership, communication, and playing to win."

The *rational* side of this "experiential education method" was about the need to strategize, create trust among team members, communicate within the team and with other, exercise leadership through persuasion and influence, align interests, and play to win.

The approach also had an *emotional* side. It was fun and informal. The concepts were made real through physical challenges posed to the different teams. In the process of working through the challenges, team members experienced the "need for strategy, execution, communication, and the need to improve if the objective is not met." Team members learned about "mind maps" and the need for paradigm shifts, and then they were given an opportunity to introspect. Under the guidance of expert facilitators, they were encouraged to discuss their "personal paradigms" with other members of the team. This process allowed them to broach "issues they may have regarding their work and their co-workers."

The effects were powerful—some participants called them "therapeutic." The experience also allowed the members of the OSM and other responsible city officials to note the issues and concerns that

individuals had about their jobs, their workplace, and their relationships with co-workers.

The OSM team traveled to RAFI's Kool Adventure Camp in the mountains of Cebu to spend three days being trained and certified to lead the course. They developed a big idea: immerse all city employees in this same experiential learning program, led by the OSM itself. They came up with a name for it: #iammandaue Transformation Program. The goal: transforming Mandaue city employees into a team that was capable and motivated to fulfill the city's vision and mission statements.

The inaugural "employee synergy and cascading activities" began in June 2014, with attendance mandatory for department heads. OSM conducted the two-day sessions at the Kool Adventure Camp. Being together outside City Hall helped everyone to feel on equal footing. And having OSM lead the department heads and employees through the activities helped participants to trust OSM's leadership.

The second group of participants came from the City Engineer's Office. After them came the City Accountant's Office. At the end of each department's Camp session, OSM expected the department to have established a Vision-Aligned Partner (VAP) project, which involved new collaboration within the department. Mayor Cortes later described the process this way:

RAFI introduced us to the technology of experiential education through their Kool Adventure Camp. The technology espouses the idea of learning through play. It allowed our team to examine our dynamics as a unit. The team also gained insights into the importance of communication and teamwork for synergy to be present in the group. Then, we proceeded to focus on the vision and the strategy. At the end of the two-day program, each employee became a member of a VAP or VAC. Through this, we were able to align the different strategies of the city hall's departments on improvement with the bigger vision of the city.[95]

Calipayan asked two key department heads from the Engineering and Accounting offices to give testimonials at a weekly PGS meeting about their experiences with the sessions at the Camp. City employees happily attended subsequent Camps once they heard (and trusted) that the experience was both rationally and emotionally satisfying.

This experiential education method provided the missing spark for employee engagement. In the words of one official document, "It sifted through the hard shell of individual insecurities and distrust" and "established a bond between the intangibles such as culture, buy-in, and motivation with the tangibles such as the intellect, logic, and performance."

Cascading

Once back in City Hall, employees had a better understanding of their roles in their departments and in the PGS. As a result, their sense of ownership grew, and their sense of dignity as employees improved. The OSM capitalized on this new enthusiasm and trust. It gave salience to the weekly meetings of the VACs and VAPs.

Every Monday, VACs and VAPs reviewed progress made toward their strategic objectives. VACs meet in separate groups but in the same large room dedicated to PGS activities, which helped instill PGS as a habit and the way of doing the city's business. Many VACs and VAPs hit their weekly goals; for those that did not, OSM offered guidance. Occasionally, a VAC or VAP struggled, as evidenced by repeatedly not fulfilling weekly commitments. In such cases, the OSM team had what was affectionately called "an Intensive Care Unit moment." OSM members dressed up in doctor's scrubs to help "diagnose" the problem. This playful approach reduced embarrassment, even as problems were frankly assessed.

The OSM implemented other new steps. The monitoring of VACs was accomplished through a new Online Strategy Monitoring System. Top-level monthly strategy review meetings were launched. Every six months, several VACs have to present their accomplishments to a panel that includes members of the MSGC. An annual strategy review at the very top level is designed to keep the PGS dynamic, fresh, and responsive to emerging trends.

Mobilizing the Private Sector

The MSGC welcomed the more distinctive vision statement and the tighter strategy map. But it still struggled with three issues: representation, partnership, and a specific task.

In late 2013, the MSGC was small and elite. Its fifteen members did not include anyone from a small or medium-sized enterprise. Nor was there a member of a civil-society organization that represented the poor. And yet, both small business and the disenfranchised poor were priorities for the city government.

To address this obstacle, Mayor Cortes called for a "People's Summit" in 2014. About 400 civil society organizations were represented. One result: fifteen members from grassroots and small-business sectors were added to the MSGC, expanding its membership to 30.

Cortes and his team worked with the MSGC to create the #iammandaue Campaign. It contained an exciting initiative. The city set a goal of

opening #iammandaue Concept Stores throughout the city. These stores would showcase the high-quality, Made-in-Mandaue consumer goods for which the city was once celebrated. The stores would energize producers and restore civic pride.

Mandaue City Hall

As noted above, MSGC members also participated in the periodic reviews of city departments and Value-Aligned Circles. At these public events, city employees present their scorecard results. The audience gives out grades (the event is called a "revalida," a Tagalog word of Spanish origin meaning "final examination"). The discussion of what has worked (and what hasn't) leads to better ideas for city employees and for public-private collaboration.

The MSGC also came up with an exciting, specific initiative for its members. They would fund and staff a project to help with a weakness identified by small businesses: product labeling and packaging. "The hope," said one official document, "is that this initiative will display the city's genuine desire to work with all sectors instead of just a few." So, in addition to its collaborative ventures with the city government, the MSGC had an activity of its own. The specificity of the task and the beneficiaries added tangibility and motivation to the longer-term and loftier agenda of collaborative governance.

Finally, the #iammandaue Campaign had a social media element, to provide another avenue for citizens to participate in the broader civic

conversation. OSM and the Mayor's office also worked closely with Mandaue Chamber of Commerce and Industry (MCCI) to discuss ongoing and future collaborations. The MCCI's activities complemented the reforms by linking student groups with business leaders for business plan development and providing micro-entrepreneurs with industry resources. For example, the MCCI supports "Search for WINNERS," a competition among impoverished women trying to take tiny businesses to the next level.

An Example of OSM Leadership

The OSM helped create the idea of #iammandaue Concept Stores. Many city employees nodded their heads: "Good idea." But when it came to actual involvement, reluctance emerged. Concept Stores seemed far outside many employees' comfort zones. What did they know about opening a store? How would they even get started? What if they were not successful?

OSM did not force the issue. Instead, the OSM team itself decided to open the first store. The city's commercial entities agreed to contribute space, and manufacturers contributed raw materials, know-how, and finished products. The result was a shining success. Other employees saw it could be done and took on subsequent stages of the project.

The first #iammandaue Concept Store opened in August 2015 at City Time Square, a popular shopping and entertainment plaza. By February 2016, eight city departments had secured letters of confirmation to lease space for the shops.

Engaging Disenfranchised Citizens

Hundreds of informal settlers living along Mahiga Creek had to be relocated. The city had a good example to follow from its successful resettlement project in the Lower Tipolo Homeowner's Associations Inc. (LTHAI). City officials had worked tirelessly and respectfully with citizens, enhancing their agency and dignity. Public-private-nonprofit collaboration had provided vital resources and legitimacy.

The challenges in Mahiga Creek were harder than in LTHAI. The government didn't own the relocation site. A new 6.5-hectare site in Barangay Paknaan was purchased and prepared for dwellings. Paknaan was on the other side of town, making squatters more reluctant to move.

The city's Housing and Urban Development Office and one of the Vision-Aligned Circles were tasked with designing a policy that could both marshal the necessary resources for the resettlement *and* secure the buy-in of the beneficiaries. They accomplished this by building on the

good relationships the city had established with citizens groups and with the private sector.

City employees again visited the squatters on weekends, explaining the situation and listening to people's concerns. Relocation was not voluntary, because of a presidential mandate after Typhoon Pablo, but city officials provided residents with a choice. A family could either accept financial compensation to relocate to the Paknaan site or receive P17,000 to help pay for a home the family would find (in 2014, the exchange rate was about P45 = USD 1). A measure of citizen sovereignty was preserved, even in the face of forced eviction.

The city took other steps to help these disenfranchised citizens and to build trust. For example, City Hall partnered with local health-service providers to conduct a medical mission to Paknaan. Over 1200 people received medical and dental services.

Building New Homes in Paknaan, Mandaue

Partnerships with business and civil society organizations were essential. After the city purchased the Paknaan site, private contractors donated materials to fill the land and make it safe from flooding. The Philippine Alliance again brought in architects to work with families in designing their homes and community. The city government donated

a machine that beneficiaries used to make compressed-earth bricks for the construction of their new houses.

In June 2014, Leopoldo Chavez, the president of one of the Mahiga Creek Home Owners Associations, volunteered to be the first to demolish his home. Chavez was also on hand for the demolition of his Association's headquarters. Other families followed his lead. By October 2014, only 162 recalcitrant households remained in Mahiga Creek. The city had no choice but to move them off and remove the remaining structures. About two-thirds of these families then moved to Paknaan; the others took the compensation and went elsewhere.

Ultimately, Mahiga Creek presented more challenges than LTHAI, but the results were excellent. Not only were Mahiga Creek families enabled to secure lots to own and build upon, but their sense of civic dignity was enhanced: they were respected and given opportunities to engage and decide. The city showed it had learned new ways to work with disenfranchised citizens and with partners in business and civil society. In October 2015, the federal government gave Mandaue an award for Best Practices in Dealing with Urban Poor.

Some Results

In August 2015, Mayor Cortes delivered his last state of the city address. (He had reached his limit of three consecutive three-year terms.) Cortes declared that the #iammandaue Transformation Program had fundamentally altered the "culture of City Hall." In 2007, the city was "a dark, bleak place" where the "political divide and deep mistrust between personnel and leadership" resulted in "the city's poor performance." Now, Mandaue was "a model of good governance."

"I am proud of what we have done as a team," he said. "We changed the way we did things. We were not satisfied with the statement *mao may naandan* [that is the custom]. This is our edge and this distinguishes Mandaue."

Activities

In 2015, OSM reported that "strategy implementation has gained traction in a once-upon-a-time lethargic organization." By September 2015, every regular city employee was a member of a VAC or VAP. The effects on morale and ownership were exemplified in the Janitorial and Security Services Unit VAP. The program "boosted the unit's confidence and changed the people's negative perception of them to something more positive and professional." As an extension of OSM's synergy

and cascading session, the Janitorial Services' VAP conducted its own training and exercises aimed to continue the cascading efforts among its ranks. The opportunity to invest in themselves as a unit increased the employees' sense of dignity and control.

OSM continued to seek out opportunities to adapt and improve. After every PGS-related activity, the team "huddled" to review what worked, what did not work, and how to improve next time. This example of being willing to make adjustments and try new avenues encouraged the same willingness and confidence in others.

Awards

The Philippines Department of Interior and Local Government gave Mandaue the Seal of Good Housekeeping in 2012 and 2013 and the Seal of Good Financial Housekeeping in 2014.

ISA awarded Mandaue "PGS Proficiency Status" in May 2015, at which point ISA invited Mandaue to apply for Islands of Good Governance (IGG) certification. To receive IGG certification, a three-year renewable status, Mandaue needed to achieve two breakthrough results, have their PGS progress audited by a third party, and submit their results to an international panel at a public review.

In October 2015, the Institute for Solidarity in Asia certified Mandaue as an Island of Good Governance, citing breakthrough results with the #iammandaue concept stores and the implementation of a Geographic Information System (GIS) to "provide a foundation of digital data for governance."[96] The external auditors contracted by the ISA concluded that *GIS sa Mandaue* "can help attain the (city's) vision by providing City Planners and Managers with a digital perspective of the City by indicating the various establishments, their nature, and additional spaces where manufacturers or commercial establishments can locate." The external auditors noted that many city employees have taken basic and advanced GIS training and that nine offices of the city were already implementing the system.

This led the way for Mandaue (and eleven other Islands of Good Governance in the Philippines) to be feted at the November 2015 APEC Summit Meeting. At the same event, the APEC Energy Working Group chose Mandaue as the APEC Low Carbon Model Town 2015.

Outcomes

All 30 provisions of the revenue code were amended, updating property values and business taxes for the first time since 1991. As

a result, Mandaue raised revenue and simultaneously maintained competitiveness.

Investment increased. In August 2015 the Mayor Cortes reported that in the previous year 1,740 new businesses had opened in Mandaue. "The new investment is equivalent to P4.1 billion in direct capital into the local economy."

Thanks to novel forms of public-private-citizen collaboration, many disadvantaged households were relocated from danger zones. Many of the most vulnerable people had permanent houses.

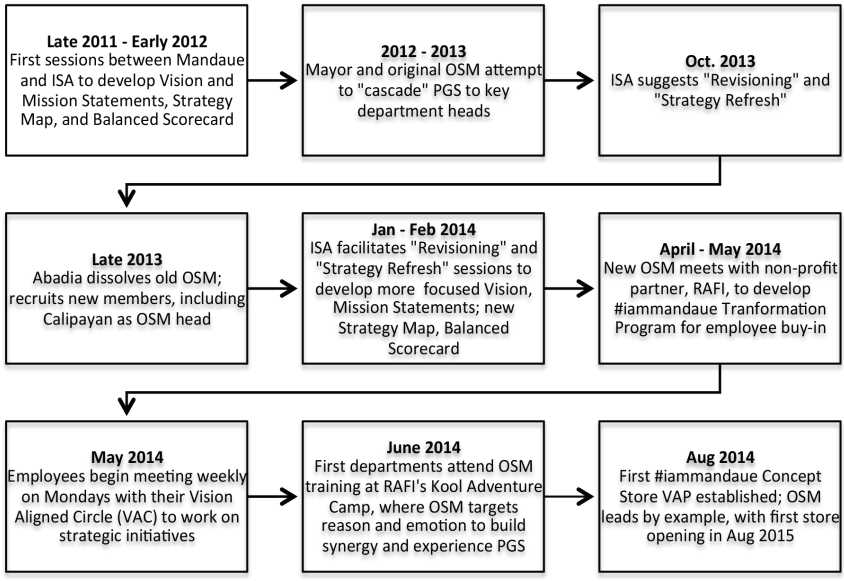
The city advanced toward its vision of being "the primary source of high-quality manufactured consumer products." For example, Mandaue was the only city selected to exhibit at the November 2015 APEC Summit, in Manila. More than 20 manufacturers from Mandaue displayed their goods at this international event.

Here are other signs of progress since Cortes became mayor in 2007:

- Mandaue's budget grew from P633 million to P2.7 billion in 2015 (the exchange rate in 2007 was about P34 = USD 1, and 2015 it was about P45 = USD 1).
- The city's assets: From P1.4 billion to P2.8 billion.
- The city's debt: From P819 million to P232 million, a reduction of 71 percent.
- Coverage for senior citizens: From P200,000 to P55 million. The payment per senior rose from P3,000 in 2015 to P6,000 in 2016.
- Indigent members enrolled by the city in the Philippine Health Corp. insurance: From 9,000 to 21,737.
- Special Education Fund: From P54 million to P143 million.
- Lighting: In 2015, the mayor declared that a decade ago, few places in Mandaue were aptly lighted, but now people enjoyed illumination "all over the city," making sidewalks and roads safer.
- Number of police: From 252 to 423.
- Classrooms: 103 were built in partnership with private businesses and foundations, including Aboitiz Foundation, Security Bank, the Visayan Electric Company, the AGAPP Foundation, and Jollibee Restaurants.

In February 2016, Mandaue conducted its third departmental review, where department heads and employees present their updates and results to a panel with public and private representation. James Abadia noted, "The departments are really improving, and the employees are also very engaged—also because this revalida is practically linked to their performance evaluations and bonuses! Each time the scores are posted in the City Hall bulletin board there is cheering. You can feel the excitement."

Figure 11.2. Timetable of Key Events



12. Leading Innovation Through Collaboration

In earlier chapters, we considered a sequence of stylized questions that leaders should ask when collaboration seems like a promising idea.

First, what exactly is the opportunity or challenge or problem?

Second, what goods and services does the problem require?

Third, what agencies and what sectors (including business and civil society) have a comparative advantage in providing those goods and services? Chapter 3 provides some tools for addressing the second and third questions.

Fourth, what collaboration across agencies and institutions might make sense? Chapter 6 has some guidance.

Suppose we have tentative answers to the first four questions. Now we add a fifth step (see Figure 12.1). What are the challenges of leading and managing collaboration? How can bold and humble leaders mobilize supply, demand, and resources?

The answers take us in several directions.

One challenge concerns people in our own agency. For good reasons as well as bad ones, our employees may resist innovation and be reluctant to collaborate with other government bodies, with the private sector, and with civil society organizations. Let's call this the challenge of mobilizing our own employees to engage in partnerships—if you will, mobilizing our own supply of needed goods and services.

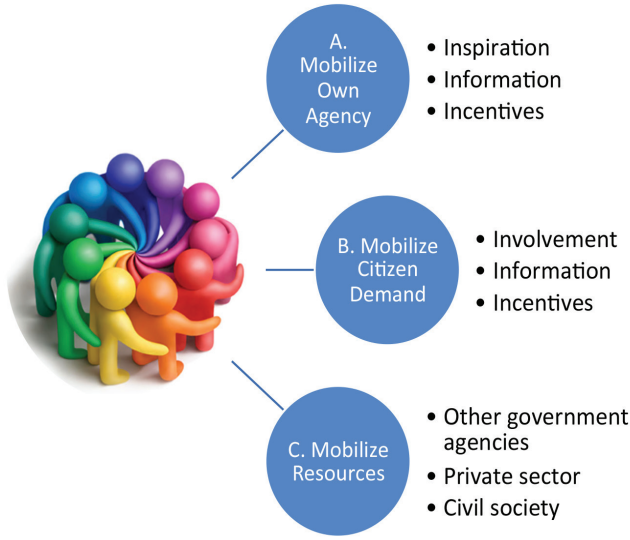
Fig. 12.1. Steps for Analyzing Public-Private-Citizen Collaboration

Another issue is on the demand side. It often turns out that the people we are trying to help are not as enthusiastic about those goods and services as we think they should be. We have to listen and learn from their reluctance—and then try to address it through better information and incentives. In mobilizing citizen demand, our potential partners in the private sector and civil society may have distinctive competences to offer.

Then we face the question of resources. Funding must be found, and the cases provide some guidance on how to innovate when at the outset there is no budget. Beyond money, resources include labor, expertise, tangible goods, and intangible support from partners outside our own organization. They will often come from other government agencies as well as with the private sector and civil society (see Figure 12.2).

What do our cases teach about these dimensions of making collaboration work?

Figure 12.2. Step 5: How to Mobilize Supply, Demand, and Resources



A. Mobilizing Our Own Agency

We have studied five examples of public-sector innovations that cut across the boundaries of government, business, and civil society. Each of our case studies shows how important it is to begin within our own organization. We have to inspire our colleagues to collaborate by showing how doing so advances our institution's mission and each employee's careers. We have to provide information and incentives that mobilize support within our own organization.

The Education Case

Principal Jigme Choden had to engage the teachers at her school. She wanted to transform STEM education by adding a Laboratory for Technology and Innovation and a new set of curricular and extra-curricular offerings. But her faculty members already had full teaching loads. In particular, her instructors in information technology were busy teaching computer programming and related subjects. It would be an understandable reaction, if not a laudable one, for them to say, "Oh no, not

another assignment for us. Extra work when our schedules are loaded. And most likely, no extra pay."

Principal Jigme would need their help. She obtained it in three ways.

First, she inspired them. She excitedly told them what she had learned from her leadership training program at the Royal Institute for Governance and Strategic Studies (RIGSS). She tried to connect with her teachers' own passions. In effect, she said, "If I can get the resources, would you like to have an additional lab where you could teach even more of the things you love?"

Second, she brought to the high school Ujjwal D. Dahal, one of Bhutan's leading experts in design laboratories. He had thrilled her with his remarkable lectures at RIGSS. She called him upon returning to her job.

"I've been talking with our IT teachers," she said in effect, "and they would love to learn more. In fact, so would all our teachers and our students, too. Would you come to our school and give a lecture about the Arduino board and transforming tech education in our schools?"

Ujjwal was pleased with her reaction to his session. He agreed to give a talk at her school.

Third, after Ujjwal's talk generated enthusiasm among the school's faculty members, she followed up with him. After thanking him and praising him, she inquired whether his organization might provide more detailed training in design technologies and how a lab might be set up at her school. Ujjwal generously said yes. He then invited the teachers from her school and several others to spend two days with his technical staff, learning about the possibilities. With their knowledge and enthusiasm kindled, Principal Jigme's tech teachers were mobilized for action.

She also got the students excited. She told them she wanted this to be their lab, "a place they could come to any time. After school or even during school. I told them that if they wanted to skip a class and go to the lab instead, that was fine with me."

Hearing that, the students laughed and applauded.

The Festival Case

Dzongda Dorji Dhradhul wanted to create Bhutan's first highland cultural festival. It would be based in a village in his district of Gasa, and it would include communities from other districts across the high Himalayas. The fact that the idea for the festival was the King's excited everyone.

But the civil servants in Gasa were already fully booked. They had no expertise in festivals of any kind, much less cultural ones. When they learned that the highlanders of Gasa had expressed reluctance to provide their labor, the civil servants responded in an understandable if

not laudable way. To paraphrase them: "We don't know anything about festivals. We don't have any money in the budget for this. We are very busy. And why should we help them if they don't want to help themselves?"

Mobilizing employees for new collaboration means such things as:

- Encourage them by appealing to their idealism: purpose, identity, achievement, and service.
- Listen. Understand their worries and constraints.
- Use their expertise and show them how you will bring in other sources of expertise.
- Show them how their careers will be affected: skills, career advancement, and incentives (including recognition).
- Provide needed resources (financial and other).

Dorji overcame their reluctance in three ways. First, he listened carefully. He sympathized with their reaction to the highlanders' initial reluctance to help. He told his employees he would work with the highlanders to show them how the festival would benefit them. He would explore ways to provide monetary incentives for their needed labor.

Second, he encouraged his employees. To paraphrase Dorji's messages: "This is our calling as public servants, to help those in need. Think of how a festival like this might bolster the whole region, might be a way to elevate Gasa on a national and even international level. Think of how you will make a difference!"

Third, he told them he would find the outside expertise and resources the festival would require. He explained the importance of collaborating with other Dzongkhags, with a variety of federal government departments, with the private sector and public enterprises, and with civil society organizations. The employees saw how some of the constraints they imagined would be relaxed—and how their own careers might be enhanced through a successful Royal Highland Festival and a revitalized district.

The Beautification Case

Dzongda Ngawang Pem initially faced inertia within her Dzongkhag in Tsirang. From the perspective of her civil servants, the idea of clearing out a nearby garbage dump in the name of beautification might have seemed distant from the district's plans and priorities. And there was no budget for it.

She did not respond by ordering them around. Instead, she convened the civil servants to discuss the problem. She asked them how the dump got there (it was the residue of a labor camp from a few years back, which citizens then came to use as a place to deposit refuse). She sought their ideas about what might be done. They discussed cleaning up the 3.6 acres

of litter, garbage, and brambles and replacing it with a park. One of the civil servants suggested how the Dzongkhag's employees should take the lead. What if each Friday their normal tasks would be replaced by cleaning up the dump? The idea was adopted, and when the clean-ups commenced, Dzongda Ngawang herself was front and center.

She assured her employees that she would seek other help for the project. After all, the Dzongkhag's civil servants had no expertise in designing parks and gardens. She told them that they would not be asked to do things they didn't know how to do. She would find the complementary inputs to a collaborative effort.

As the project got underway, she inspired the employees with a vision of what a new park might look like. A quick design by a Japanese landscape architect who happened to be working in Damphu was a key step. She encouraged her civil servants to place the beautification idea in the context of statements by His Majesty The King about the goal of making towns more livable. It would be good for the citizens and good for tourism in the future.

The Local Economic Development Case

Let's turn now to our fourth case, the new Economic Development Officer (EDO) in Trashi Yangtse. Chimi Yuden, only 23 years old, entered the Dzongkhag without quite knowing what her job was—and without her fellow civil servants knowing either, because the EDO position was brand new in the country. Her terms of reference involved entrepreneurial activities outside the proper district government. She was supposed to work with local businesses to support traditional activities and to help them develop new ones. She was also supposed to work with national departments on projects that would benefit local economic activities such as tourism.

But Chimi's first challenge was to mobilize support from within the Dzongkhag itself. Even getting an office and furniture and the staples of the workplace—it turned out that these were not ready when she arrived, and she had to organize them herself.

More to the point of her job, the Planning Officer had been responsible for the activities now assigned, at least on paper, to the Economic Development Officer. It was understandable, if not laudable, that he was reluctant to give up those powers. As what she called a "newbie," she didn't know how to work with him to get those responsibilities transferred to herself.

Luckily, she was part of a cohort of nine other EDOs around Bhutan. They had trained together and had become friends. They were linked via social media and WhatsApp. They were peers to whom she could turn for solace and advice. She saw that she was not alone: others, too, had problems

mobilizing the support they needed to carry out their terms of reference.

She also found allies within the Trashi Yangtse government. A young specialist in information technology became her friend and a guide to how the Dzongkhag worked. Chimi organized meetings to plan a new cultural activity and got to know her more senior colleagues. When frustrations mounted, she had receptive colleagues. Their internal communications eventually led to the Dzongda himself calling a meeting with her and the Planning Officer to clarify their responsibilities.

That meeting was not planned by Chimi Yuden, but it does make a point for all new employees. Like Chimi, you may not quite know what your job entails. You may experience a kind of culture shock. If you do, think of how to mobilize the support you need from within your institution—and from your peers in other government agencies, as Chimi did with her fellow EDOs.

You can't be a bold and humble supporter of partnerships outside your organization until you have support from within your organization.

The Philippines Case

When Jonas Cortes initiated the Performance Governance System in Mandaue, a Philippine city of about 350,000 people, city employees were intrigued but wary. "Will the new forms of collaboration across the city's 26 departments just mean extra work for me? Apart from my job specialty, how will my performance be evaluated? What if this initiative becomes politicized and is identified with this particular mayor? Could I be at risk when a new mayor arrives?"

Mayor Cortes and his team carried out confidential surveys to find out about the worries of city employees. On the positive side, the design of the city's mission and vision and the laying out of a one-page Strategy Plan were done with ample participation of employees. The goals and metrics were then "cascaded" throughout the organization using cross-department "Vision-Aligned Circles" and within-department "Vision-Aligned Partners."

A crucial step was a trust-building program of experiential learning. A local foundation had developed a highly effective off-site course, which the city's office of Strategy Management (OSM) modified for city employees. The OSM staff learned how to run the program, and soon each department went through a two-day learning experience that combined a ropes course, information about the PGS, and structured opportunities to share goals and worries. The result was a boost in camaraderie and more trust in the Performance Governance System.

Members of the Vision-Aligned Circles were given one day a week to work together on their collaborative tasks. Their progress and problems were shared in weekly meetings across the VACs, with chances to learn from

each other. Periodic reviews ("revalidas" or, jokingly, "final examinations") shared results with businesspeople and citizens, who then gave out grades. These grades were in turn tied to financial incentives.

The principles are by now familiar. Anticipate that our employees will distrust collaboration and that they may resist. Listen to employees and appreciate their good and perhaps not-so-good reasons for their reluctance. Explain the new partnerships carefully. Supply lots of information about activities and results. Provide appropriate incentives.

B. Mobilizing Citizen Demand

Long ago, three professors at the Harvard Kennedy School spent a summer trying to identify how leadership and management in so-called developing countries differed from leadership and management in the Western world. Two big findings emerged.

One concerned the *supply* of public goods and services. They had to be integrated more formally and transparently in the developing countries, where both governments and markets worked less well. This had implications for project planning and policy design, including some themes we have seen in this book: the need for even more collaboration across government agencies and across the public-private-citizen divide.

The second big lesson had to do with the *demand* for public goods and services. Leaders and managers often have to catalyze demand for the very goods and services that are so badly needed. In areas such as health care, education, agricultural extension, rural roads, and common-pool resources such as forests and irrigation systems: even when important goods and services are "supplied," they are sometimes not "demanded," meaning they are underutilized, neglected, not maintained or repaired. The literature on international development is replete with accounts of clinics opened but not utilized, wells constructed but not maintained, family planning services supplied but not taken up, and job banks launched but used only by a few. These things happen even when citizens declare they badly need these goods and services.

And so, a key task of leadership and management turns out to be mobilizing demand from citizens, not just supplying goods and services to them. One cannot assume "We will build it, and they will come."

Mobilizing demand means such things as

- Using the human touch: building relationships with potential users and intermediaries,[97]
- Utilizing indigenous networks,[98]
- Helping people act together instead of individually,

- Providing potential users with timely, pertinent and credible information, including both quantitative data and stories of success,
- Easing the travel and cost challenges of accessing services, and
- Marketing a good or service with the imagination of an advertising agency.

The Mandaue Case

Consider how Mayor Jonas Cortes and the government of Mandaue City dealt with illegal settlements of impoverished squatters. They inhabited the disgusting Umapad dumpsite, where they subsisted by combing through refuse to find snatches of sellable goods and maybe something to eat. When forcibly moved out by past city governments, they had eventually snuck back in and settled again.

Other illegal settlements lay along the banks of creeks. These people polluted the water and were in periodic danger of being wiped out by floods. Again, past efforts to remove them by force had failed. They had returned, with the added feature that they had learned to resent their local government.

Mayor Cortes and his remarkable team worked differently. They treated the squatters with dignity. Civil servants and civil society organizations, including local architects and architecture students, went into the illegal settlements on the weekends and consulted the locals. They began by listening. They explained new housing options that had been developed by the city government. Safe land was available for the squatters to resettle legally. They would have access to long-term loans and brick-making machines to build their new dwellings, which the architects would help them to design. City officials would help them secure property rights and make the move to the new area, which would soon be supplied by the city with electricity and utilities. And squatters would contribute their know-how and their hard work in constructing their new community. Businesses made contributions to build new schools.

Importantly, compulsion was not used. Community leaders were engaged first. When they led by example and people saw the new settlement get underway, others followed voluntarily. The decision-making agency of the impoverished was respected. And later, when Mayor Cortes called for a city-wide summit of civil society organizations including those representing settlers, over 400 CSOs attended. Mandaue's Multi-Sector Governance Coalitions successfully added representatives of the poorest, providing new ways for their voices to be heard and their capabilities to be recognized.

Incentives

Mobilizing demand means understanding and improving incentives. As we have seen, the Layaps were reluctant to provide the labor needed for the Royal Highland Festival. Some of the civil servants of Gasa were dismissive of this reluctance, which may recall narratives about "the lazy native."[99]

But Dzongda Dorji Dhradhul sympathized with the Layaps' reluctance. He reminded his civil servants that the Layaps were poor and disconnected. He discussed possible incentives with them. For example, he showed them how their dwellings could become homestays—and then he insisted that all official visitors and tourists would pay daily homestay rates that would be attractive to the Layaps. Using the resources raised from His Majesty's Secretariat and other sources, his team hired the Layaps for the needed improvements and works, with technical support and labor from agencies like the Bhutan Toilet Organization. The most lucrative incentive for the Layaps turned out to be using their horses and donkeys to transport goods and—especially for the final harsh kilometers of the long hike from Gasa to Laya—visitors.

For highlanders from other districts, Dorji provided incentives to cover their costs in Laya and worked with their home districts to cover their travel expenses. Nearby Highlanders from Sephu and Lingzhi came with their animals.

The festival's awards were another kind of incentive. Highlanders from Laya and beyond participants vied for many attractive prizes, which included materials for greenhouse construction, expensive saddles, equipment for processing yak milk, and even some prize animals. Other prizes were televisions, smart phones, trekking kits, traditional kiras and ghos, and statues.

In Mandaue, information and incentives were also important to mobilize citizen demand. Previous efforts to resettle squatters had failed even when in some abstract sense the new alternatives were better than the squatters' horrible situations. The failed approaches had used compulsion, even violence. The successful efforts by Mayor Cortes, his civil servants, and the CSOs that helped took a different tack. They combined outside expertise and resources with local knowledge—that is, the knowledge of the squatters themselves about their problems, their desires, and their capabilities. The successful resettlement programs provided information, including the legal and technical expertise of both city employees and private-sector architects. The programs also had attractive incentives such as long-term loans, secure property rights, urban services, and brick-making machines.

Different Partners Have Different Advantages in Mobilizing Demand

A final point about mobilizing demand: government may not be as good at doing so as are some institutions of the private sector and, for different reasons, some institutions of civil society, including religious organizations.

The business sector has a comparative advantage in marketing. They understand how to find audiences and reach them with compelling messages—even if we often lament that the products they tout are far away from public goods. Dorji Dhradhul and His Majesty's Secretariat used comedians, musicians, and film stars in the inaugural Royal Highland Festival. Their presence added luster before the inaugural festival, during the festival as a kind of reward for the highlanders, and after the fact, as accounts of the first festival were used to generate enthusiasm for subsequent iterations.

Civil society organizations often have a different comparative advantage in mobilizing demand. CSOs are known and trusted among their special constituents. For example, a health project may partner with local CSOs, especially where it is difficult for perceived outsiders to connect with the local population. The CSOs are known. They can be trusted intermediaries if they understand both the health side and the local side. CSOs can provide credible information about health challenges and mobilize the people to participate in preventive measures from managing waste to accepting inoculations. In such projects, local CSOs promote the demand for health services as an invaluable partner with the health agency and the local population.[100]

The Example of Bhutan's COVID-19 Immunization Campaign

In Bhutan, partnering with religious institutions was crucial for a successful roll-out of a national vaccination program against the coronavirus. In many other countries, a substantial portion of the population resisted vaccinations for COVID-19. In Bhutan, the take-up of the vaccines was rapid and almost universal. Why the difference? Studies show that the percent vaccinated in a country is statistically correlated with measures of citizens' trust in each other and in their governments, and Bhutanese trust their government. Another factor was how religious leaders and institutions helped to mobilize demand.

When in January 2021 India offered enough vaccines against COVID-19 for Bhutan's adult population, the political leaders of Bhutan consulted with the country's religious leaders about the auspicious time to commence a vaccination campaign.

"It's very natural for us to consult with them," Prime Minister Dr Lotay Tshering explained to me in September 2021. He is a medical doctor, a distinguished surgeon who operates once a week even as Prime Minister. In his surgical practice, if the day of an operation has to be changed, both he and the patient consult religious leaders to see what new timing is good, perhaps even if clothing of a particular color should be worn for the surgery. "Everyone thinks like this in Bhutan," said Dr Lotay.

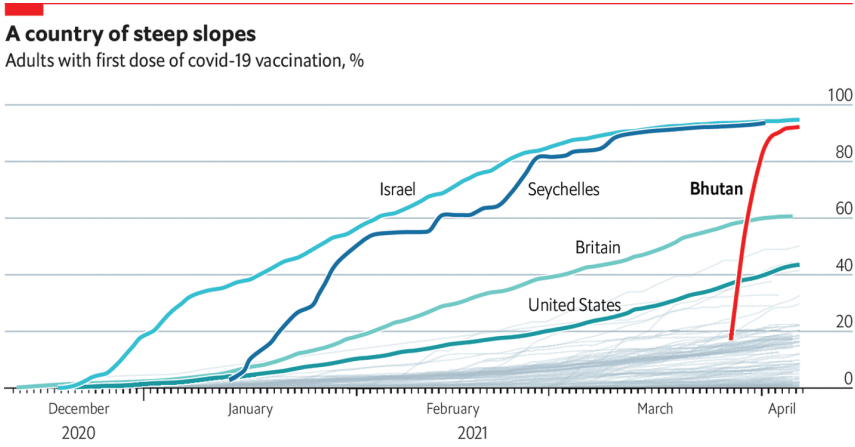
In the case of the coronavirus vaccine, instead of immediately launching a vaccination campaign, Dr Lotay and the government discussed the rollout with the Zhung Dratshang, the central monk body of the country. The lamas advised waiting until an auspicious day two months later. They said that the first inoculation be given by a female medical practitioner born in the Year of the Monkey and be received by a female born in that year.

The officials organized a mass vaccination campaign to commence on March 27, 2021. At the auspicious hour of 9:30 a.m., on that auspicious day, prayers were chanted, butter lamps were lit, and Tshering Zangmo administered the first jab to Ninda Dema. The event was highly publicized on television and radio. To mobilize demand, Dr Lotay pointed out that it was good to turn the campaign into a lively national event. The rollout of the vaccine took place at more than 1200 sites around Bhutan, including far-flung areas. Within a week, 85 percent of Bhutan's adult population received their first inoculation.

This was a government program, led by public health officials, including the De-suups and other volunteers. Religious bodies played a key role. "Bhutan's monastic community—highly influential in a Buddhist and still largely traditional culture—not only pointedly reinforced public-health messaging but also prayed daily for the well-being of all people during the crisis, not just the Bhutanese."[101]

High trust in government plus the support of Bhutan's religious establishment overcame the kinds of vaccine reluctance seen in many countries. *The Economist* magazine and other outlets around the world carried awestruck articles about how rapid and thorough Bhutan's vaccination campaign was.[102] (See Figure 12.3.) In a word, Bhutan mobilized demand.

Figure 12.3. Bhutan's Extraordinary 2021 Vaccination Campaign against the Coronavirus



Source: The Economist, 8 April 2021.

C. Mobilizing Resources Outside One's Organization

So far in this chapter, we have reviewed how our protagonists mobilized the efforts of their own busy employees and mobilized demand for the endeavor from the very people for whom it is designed. Let us engrave two takeaways in our memories:

1. We usually can't just tell our employees what to do. We need to understand their constraints, appreciate their reluctance, provide them with resources and incentives, and inspire them.
2. We can't usually just provide a good or service to needy communities and expect them to use it, especially if they are asked to incur costs or take risks. We need to provide them with information and incentives, and often we work with CSOs and perhaps private firms to mobilize community demand.

Now we turn to other pieces of the challenges of productive partnerships. Looking back at each case, we can reconstruct a process that moves from visualizing the desired outcome, understanding what goods and services it will require, asking where those goods and services might come from, then working boldly and humbly with the people and institutions who can provide them. What guidance do the cases provide about mobilizing resources from outside our own organization?

The Beautification Case

Dzongda Ngawang Pem of Tsirang needed skilled labor for her innovative program of urban beautification. The tasks would require architectural and agricultural knowhow that went beyond what all but one of the district's employees possessed. She had to identify the needed skills and provide both vision and practical incentives to create an effective partnership.

She began with the task of clearing the 3.6-acre garbage dump that stood right below the Dzong. What a disgrace, she thought. Let's clean it up, and then let's launch a beautification campaign for the town of Damphu, the district seat. Then she had to work through the practicalities. Who had the needed skills, not to mention the available workers? Who could provide financial resources?

She consulted with the nearby Agricultural Research and Development Sub-Centre. It had many people working on its farm, and some of them had some free time. In collaboration with the Sub-Centre's leaders, Ngawang hatched a short-term solution. Some of these laborers came to the dump every Friday afternoon from 2:00 to 5:00 and begin to clear the area of rubbish and old plants. The district provided meals and refreshments. Remarkably, the Dzongda herself pitched in her manual labor every Friday, and some of her staff joined in.

This scheme was a short-run fix, but it had a big demonstration effect. Others noticed. As we have seen, Ngawang called a meeting with all 115 employees of the district. She asked them if they would be willing to work Friday afternoons in the beautification effort. They agreed.

"After seeing us work and then seeing the results and things getting cleaner, they all somehow felt that they should contribute," she recalled. The elected local government officials also supported the idea.

Soon, others offered their help. Members of the Royal Bhutan Police joined in. Businesses funded refreshments. Ngawang reallocated some of her district budget to provide incentives and materials. She sought and obtained contributions of labor and cash from the Renewable Natural Resource Centre and the Bhutan Power Corporation. Regional offices like Bhutan Telecom and Bhutan Power didn't provide monetary support, but they agreed to plant and maintain designated areas of Damphu.

Many citizens volunteered. "People started contributing cash and labor," Ngawang recalled. "We didn't have to force anyone, you know. Many people came with all sorts of flowers from their villages. And then they planted. We just organized the flowers in and around the Dzong. We didn't buy any plants. We just arranged it, organized things, uprooted azaleas, and planted them there and made it nice.

"And then the De-suups started the footpath from the municipal office that goes around the lake towards the forest and up to the platform. Now we have a stupa up there, which the monk body built for us. Everyone had their own small contribution in that park."

The Festival Case

Dzongda Dorji Dhradhul of Gasa boldly requested in-kind and cash contributions from a variety of sources in the private sector and civil society. He worked through letters and meetings—and no doubt the connections of the festival with His Majesty's Secretariat provided both legitimacy and persuasive power. In-kind and cash contributions came from national CSOs such as the Bhutan Kidney Foundation, Bhutan Toilet Organization, Royal Textile Academy, Green Bhutan, and Clean Bhutan, and from the international CSO the World Wildlife Fund. Cash came from the Bank of Bhutan, the Bhutan Development Bank Limited, Druk Holding and Investments, and the Bhutan National Bank Limited. Other donors included Ugyen Trading, the Royal Insurance Corporation of Bhutan, Bhutan Kazi Tours, and Laya Tours and Travels.

Note how both Dorji Dhradhul and Ngawang Pem drew upon the De-suups (Guardians of Peace) for help. His Majesty The King created the De-suung to be volunteers during disaster operations and for charitable activities. Both Dzongdas were themselves De-suups, and they reached out to their colleagues for valuable help.

The Education Technology Case

During a leadership training course for 25 school principals, Principal Jigme Choden heard a remarkable presentation by technology expert Ujjwal D. Dahal about the potential for design labs to transform public schools. And at the end of the two-week course, His Majesty The King met with the trainees virtually.

"I almost cried," Jigme recalled. "His Majesty said he supported us. No one had ever told us that before."

She returned to Motithang High School full of ideas and energy. But she knew right away that she didn't have the expertise or resources to create a Laboratory for Technology and Innovation. She identified the goods and services such a laboratory would require—space, equipment, training for her teachers, and financial resources. And she considered what institutions and individuals might provide those goods and services. As we have seen, she requested the enthusiastic and able Ujjwal, who spoke at the school and then kindly provided free training for her teachers. She raised funds from parents at the high school. She and her students met

with leaders of banks and businesses to request their contributions.

What If You Don't Have a Budget?

Dzongda Ngawang Pem recalled her launch of the clean-up effort in Damphu, Tsirang.

"There was no budget, absolutely no budget at all. And they say, if you have no budget, we cannot start, you cannot initiate anything. But I said, let's begin anyway. Yes, just cleaning up the place."

She faced a chronic impediment to both innovation and partnerships: a lack of readily available funds. It is easier for people to collaborate when everyone is at the table *and* when in the middle of that table is a pot of money. People are busy; no one is eager for additional tasks, especially unfunded ones.

But flexible funds create tensions in budgetary management. Stability and accountability favor a process that assigns each locality and agency a budget in advance. Having flexibility has disadvantages in terms of predictability and control. Every organization faces this tension.

Interestingly, a distinctive advantage of international aid institutions can be their ability to provide budgetary flexibility to their in-country partners, be these governments or civil society organizations or cross-sectoral partnerships.

In Bhutan and elsewhere, the national government can also provide flexibility for innovation. In the Trashi Yangtse case, Chimi Yuden and the district government participated in a kind of contest. The Tourism Council of Bhutan asked each of the twenty districts to submit ideas that would foment local tourism. The proposal from Trashi Yangtse won support, and Chimi soon found herself organizing a local festival for food and crafts.

His Majesty's Secretariat (HMS) can provide another source of funding for innovation. In Gasa, Dzongda Dorji responded to an idea of His Majesty The King—to create a highland cultural festival—and consequently received from HMS Nu. 5 million outside the district's budget. These funds enabled Dorji to procure needed services, such as helping to make ready the festival venue, and to provide incentives, such as local expenses for visiting highlanders.

Principal Jigme Choden of Motithang Higher Secondary School had created over time her own pot of flexible funds. By renting out the school's auditorium and athletic facilities, she generated money that she later used for innovations such as the school's new facility for

technological education.

"When it comes to financial rules, they are not very flexible," she recalled. "So, I took risks. We had some savings from many years of renting our football ground and renting the hall. So I said, 'I'm going to invest. I don't care; I'll be answerable to audit.'"

In Tsirang, Dzongda Ngawang Pem raised resources for the early stages of her beautification campaign from several sources. She moved around funds within her district's budget categories. "If we did not use all the budget from a previous fiscal year," she explained, "We could either send the money back to Thimphu or reassign it for a purpose that was approved by the central government."

Especially during times of the COVID-19 emergency, the Prime Minister allowed local governments to use their budgets in flexible ways that they deemed best. But even before the pandemic, districts were allowed to submit requests for reallocations to the central government, and often these requests were approved.

The case studies also show how ingenious and intrepid were the leaders' fund-raising efforts. Principal Jigme had demonstrated her fund-raising zeal in the creation of an unprecedented worship area within the high school.

"I guess I have done many things without any money," she said. "We have raised 30 lakhs from parents and friends to build a Lhakhang in the school for the spiritual enhancement of students. We have done theatrical events supported by financial institutions and alumni."

She had required her students to raise funds for the school magazine. "This year I outsourced it entirely to the students. So they had a committee led by one of the teachers, and then they had to raise funds to publish." Principal Jigme took her students and visited various leaders of businesses and banks—and she let the students make the fund-raising pitch as she watched approvingly. And with the new learning lab, she followed a similar fund-raising strategy.

As we have seen, Dzongda Dorji in Gasa requested in-kind and cash contributions from a variety of sources in the private sector and civil society.

None of these bold and humble leaders gave the excuse, "But I don't have a budget for this great idea." They sought funding from a variety of sources. They realized that collaboration goes best when there is a pot of money for joint endeavors—and they used the funding to make collaboration happen.

The Roles of Values and Inspiration

In his 2019 book *Tantric State*, the political scientist William J. Long traces out distinguishing features of government in Bhutan.[103] The country's emphasis on Gross National Happiness, rather than Gross National Product, is one. Another is the trust the people have for their monarch and, because of him, for the government. As the Bhutanese journalist Namgay Zam noted, "I don't think any other country can say that leaders and ordinary people enjoy such mutual trust. This is the main reason for Bhutan's success."[104]

The trust begins at the top with His Majesty The King. The former Prime Minister Tshering Tobgay remarked in a 2019 lecture at Oxford University that Bhutan was the only country in the world whose people had to be dragged into democracy by their leader.

"What most distinguishes Bhutan's democracy from the other 160-odd other democracies in the world," Tobgay emphasized, "is that we the people did not want it. We did not fight for democracy or even ask for it. In fact, all the people were decidedly against parliamentary democracy. You see, to put it simply, we were happy with the way things were. So, the King personally educated his people on the democratic process and imposed it in the country."

Tobgay went on to describe some of the unique features of Bhutanese democracy. And then he concluded by reaffirming the planned nature of a huge *change* in the country's political culture—and noted too, that Bhutan's democracy is *attuned* to its culture and has as a goal *preserving* its culture.

> The main point, however, is that His Majesty The King did not just introduce democracy into Bhutan, he had to impose it on the people. But His Majesty went further, he educated and trained all his people in the democratic process. And most importantly, His Majesty The King designed our democracy to suit our unique needs, insuring that Bhutan democracy is fit for purpose, to serve country and people. So, our democracy is not an end in itself: it is a means to protect our sovereignty, to nurture our unique culture, to preserve our pristine environment, to strengthen our welfare system, and to ensure that political leaders and decisionmakers remain faithful to the ideas of Gross National Happiness.[105]

In various ways, the King of Bhutan inspired the bold and humble leadership of the protagonists in this book. For example, His Majesty The King suggested to new Dzongda of Gasa the idea of the highland cultural festival. His Majesty's Secretariat provided cash support and help in garnering contributions from many other sources. The King participated

in the inaugural Royal Highland Festival in 2016, and immediately from there went off on a long trek to glaciers and lakes, to underscore how the highland way of life will be affected by climate change.

The beautification efforts in Tsirang fit with a priority of the King's. In 2015, the first Royal Bhutan Flower Exhibition was initiated on his command to celebrate the 60th Birth Anniversary of his father, the Fourth King of Bhutan. On this occasion, the Fifth King said: "Where we live must be clean, safe, organized and beautiful, for national integrity, national pride and for our bright future. This too is nation building." When the new park in Tsirang was launched in 2016, the Queen Mother came and offered her support. Later, His Majesty The King sent a message of congratulations to Dzongda Ngawang. She has kept it and treasured it.

Regarding the educational technology case, His Majesty The King gave a virtual audience to each cohort of the leadership training program for school principals at the Royal Institute for Governance and Strategic Studies. He stressed the importance of educational transformation and the crucial role their leadership would play.

On December 17, 2020, the Royal Kasho on Education Reform included these remarks about the centrality of technology in the future of Bhutanese education:

> The future will be more wired and digital, driven by sophisticated technologies in towns and villages alike, as well as in homes and in workplaces . . . We must revisit our curriculum, pedagogy, learning process, and assessments to either transform or rewrite them in view of the challenges and opportunities of the twenty-first century. Otherwise, continued focus on textbooks and content without integrating technology and social learning risks perpetuating passive modes of learning . . . Therefore, our generation has the sacred responsibility of radically rethinking our education system and transforming curriculum, infrastructure, classroom spaces, and examination structures.
>
> In preparing our youth for the future, we must take advantage of available technologies, adapt global best practices, and engineer a teaching-learning environment suited to our needs. Technology is the argument of our time and a major indicator of social progress. The irony in our context is the absence of technology in classrooms for a generation of students who are exposed to and live in the digital age. To ensure that teachers are not disconnected from their students, professional development of teachers should integrate technology, digitalization, artificial intelligence, and automation . . .
>
> In order to initiate a transformative reconceptualization of our education system, I hereby grant this Kasho on the auspicious

occasion of the 113th National Day in Punakha Dzong on 17th December 2020, corresponding to the Third Day of the Eleventh Month of the Male Iron Rat Year, in exercise of the powers bestowed upon me by the Constitution.[106]

We can see how, in her remarkable innovations in 2021 and 2022, Principal Jigme Choden was inspired by His Majesty's vision and encouragement.

Even Chimi Yuden's case, His Majesty played an indirect role. The creation of Economic Development Officers at the local level was consistent with his vision of local empowerment and a government that stretches beyond its own walls to help citizens and businesses.

Another aspect of Bhutan's political culture plays a role in the cases we have studied. Each one relied on volunteers, from citizens helping beautify Damphu to high-school students helping out in Laya. Compared with many other countries, volunteerism and sharing are baked into the traditional Buddhist approach to life. Combining them with the goals of Gross National Happiness, respect for authority and virtue, and specific ideas from His Majesty The King provides a unique setting for the success stories we have studied.

Collaborative Governance Once More

Even so, collaboration across government agencies has proved difficult in Bhutan. In his 2020 Royal Kasho on Civil Service reform, the King lauded many achievements of the public sector but lamented shortcomings in collaboration. "Agencies pursue isolated sectoral objectives while administrative processes burden efficient service delivery," he said. "Communication and co-ordination have been further sidelined in the quest for autonomy by different agencies."[107]

The second time I met with the King, in 2015, he ruminated about how to facilitate and incentivize partnerships across the ministries and agencies of government. He believed that fulfilling Bhutan's greatest aspirations—including the strengthening of its traditions even as it embraces the best of the future, beautifying its built and natural environments, empowering young people with new skills conveyed in new ways, and fostering local economic vitality—would require the ministries to work even better together.

Bhutan is not alone in this challenge. Collaboration is not easy. Yet the examples in this book, though local and specific, provide encouragement.

They show how bold and humble leaders were able to:

- Analyze a specific challenge at hand.
- Identify the goods and services needed to address it.
- Consider which institutions in government, business, and civil society are positioned to provide those goods and services.
- Imagine collaboration across those institutions, including the citizens being addressed.
- Work outside one's own organization to make innovation possible.

These steps require boldness. They are anything but staying close to the desk and following the standard procedures.

They also require humility. Leadership in such situations is not about exercising formal authority. It is about integrating supply and mobilizing demand through vision, energy, and self-sacrifice.

It is about using your *head* to analyze goods, services, and institutions as Dorji Dhradhul did in Gasa and Jonas Cortes did in Mandaue. Simple analytical tools like those in Chapters 3 and 6 can help.

It is about using your *hands* as Ngawang Pem did clearing the garbage dump, the economic development officer Chimi Yuden did working alongside small businesses, and people from the Philippine Alliance and Mandaue government did helping squatters move to and build new homes.

It is about using your *heart* as Jigme Choden did, constantly communicating to her teachers and students how much she loved them.

And it is about renewing ideals. The leaders in these cases kept their eyes on the deep reasons for what they do. Celebrating indigenous cultures and protecting the environment. Beautifying a town and simultaneously engendering civic pride through both participation and tangible results. Transforming high school education. Helping out struggling local businesses with government programs and infrastructure investments. Implementing a Performance Governance System with new structures of partnership across the public-private-citizen divide.

Not incidentally, focusing on ideals reinforces the calling of public service. Each of our protagonists found themselves more able to bear the daily burdens of their difficult jobs, precisely because they could see the larger purposes served by each small activity. In the process, boldness and humility became two sides of their personal coin.

Acknowledgements

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25 Sometimes a good is "anti-rivalrous" in the sense that if you consume it, I benefit even more from consuming it than if you don't. For example, we each may enjoy that view in Laya more by watching it together than by doing so alone.

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29 "A destination management/marketing organization (DMO) is the leading organizational entity which may encompass the various authorities, stakeholders and professionals and facilitates tourism sector partnerships towards a collective destination vision. The governance structures of DMOs vary from a single public authority to a public/ private partnership model with the key role of initiating, coordinating, and managing certain activities such as implementation of tourism policies, strategic planning, product development, promotion and marketing and convention bureau activities." World Tourism Organization. 2019. *UNWTO Tourism Definitions*. Madrid: UNWTO, p. 16.

30 In autumn 2022, the TCB was recreated as the Department of Tourism.

31 "Corporate Social Responsibility is a management concept whereby companies integrate social and environmental concerns in their business operations and interactions with their stakeholders. CSR is generally understood as being the way through which a company achieves a balance of economic, environmental and social imperatives ("Triple-Bottom-Line-Approach"), while at the same time addressing the expectations of shareholders and stakeholders. In this sense it is important to draw a distinction between CSR, which can be a strategic business management concept, and

charity, sponsorships or philanthropy." UNIDO. N.d. "What Is CSR?"

32 "Chadri" refers to protocol for visiting dignitaries. It has been categorized into three levels: one for His Majesty The King, one for the Prime Minister, and one for others such as ministers and even members of the parliament. Chadri varies by the occasion, with the most elaborate versions for the celebration of National Day and of the His Majesty's Birth Anniversary.

33 Jigme Wangdi, Tashi Dorji and Kesang Wangchuk. 2021. "Setting the Mountain Ablaze? The Royal Highland Festival in Bhutan from the Semi-nomads' Perspective," *Pastoralism* 11(6). April.

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35 Nima. 2018. "Gasa Soechu Handed Over to the People of Gasa," *Kuensel*. 10 October.

36 Gross National Happiness Commission. 2013. *Eleventh Five Year Plan 2013–2018, Volume I: Main Document*. Thimphu: Gross National Happiness Commission, pp. 345, 346. Emphasis in original.

37 Carmine Bianchi, Greta Nasi, and William C. Rivenbark. 2021. "Implementing Collaborative Governance: Models, Experiences, and Challenges," *Public Management Review* 23(11): 1582.

38 Marta Marsilio, Giulia Cappellaro and Corrado Cuccurullo. 2011. "The Intellectual Structure of Research into PPPs," *Public Management Review* 13(6): 763–782.

39 Anaïs Fabre and Stéphane Straub. 2021. "The Impact of Public-Private Partnerships (PPPs) in Infrastructure, Health and Education," Working Paper N° 986. Toulouse: Toulouse School of Economics. September: 1. Forthcoming in *Journal of Economic Literature*.

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of the private sector. At one end, there is straight contracting out as an alternative to traditionally delivered public services. At the other end, there are arrangements that are publicly administered but within a framework that allows for private finance, design, building, operation and possibly temporary ownership of an asset." Canadian Council for Public-Private Partnerships, "Definitions & Models." https://www.pppcouncil.ca/web/Knowledge_Centre/What_are_P3s_/Definitions_Models/web/P3_Knowledge_Centre/About_P3s/Definitions_Models.aspx, accessed 18 November 2022.

41 John D. Donahue and Richard J. Zeckhauser. 2006. "Public-Private Collaboration," in *The Oxford Handbook of Public Policy,* ed. Michael Moran, Martin Rein, and Robert E. Goodin. Oxford: Oxford University Press, p. 496.

42 "Government regulators' recognition that they suffer a deficit of information, relative to regulated firms, is the fundamental motive for sharing regulatory discretion with firms' managers. In the environmental arena, a conventional regulatory approach might specify the technologies for processing wastewater before it can enter a river. A management-based approach would set maximum levels for each contaminant, but allow firms to decide the best way to meet the standards. While flat generalizations about the broad and varied terrain of regulation are notoriously perilous, we perceive a widespread migration toward regulatory models featuring efforts to forge common goals, the sharing of discretion, and strategically charged interaction—in a word, collaboration." (Donahue and Zeckhauser, "Public-Private Collaboration," p. 511)

43 "The private sector is extensively involved not just in governance but also in delivery. Community colleges and other non-profit educational institutions are eligible to deliver training, but so are for-profit training providers. Moreover, private firms are explicitly granted eligibility to deliver on-the-job training to individual workers and (under certain circumstances) to use public money to upgrade the skills of their overall workforce. While this collaborative approach to workforce development has its strengths and weaknesses, there is an apparently durable bipartisan consensus behind this general strategy." (Donahue and Zeckhauser, "Public-Private Collaboration," p. 513)

44 John D. Donahue and Richard J. Zeckhauser. 2011. *Collaborative Governance*. Princeton: Princeton University Press, p. 26.

45 Donahue and Zeckhauser, *Collaborative Governance*, p. 19.

46 Donahue and Zeckhauser, *Collaborative Governance*, p. 43.

47 UNICEF (2020) "Youth Unemployment: The Facts," https://gdc.unicef.org/resource/youth-unemployment-facts, accessed October 19, 2022.

48 Eckerberg, Katarina, and Therese Bjärstig. 2022. "Collaborative Approaches for Sustainable Development Governance," in *Handbook on the Governance of Sustainable Development*, edited by Duncan Russel and Nick Kirsop-Taylor. Cheltenham, UK: Edward Elgar Publishing, p. 185. To put it a bit differently, "collaborative arrangements can only be effective if government is able to create meaningful opportunities for interaction and mobilize different actors to invest energy, resources and knowledge in collaborative production of public services." Anka Kekez, Michael Howlett, and M. Ramesh. 2018. "Varieties of Collaboration in Public Service Delivery. *Policy Design and Practice* 1(4): 247.

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partner-evaluation form, a negotiations template outlining the roles and responsibilities of different departments, a list of ways to measure alliance performance, and a checklist for terminating a partnership. Anonymous (2011) "The Key to Successful Alliances: Developing Firm-level Capability" *Wharton @ Work*, February. https://executiveeducation.wharton.upenn.edu/thought-leadership/wharton-at-work/2011/02/successful-alliances/

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