

## From the Planners' Bookshelf...

### ***State-Building, Governance and the New World Order in the 21<sup>st</sup> Century***

Francis Fukuyama, Cornell University Press, 2004.

#### **Professor Fukuyama.**

Francis Fukuyama, in his previous work *The Great Disruption*, enumerates the three pillars of a successful state and society. While his “end of history” idea may have been premature, it is instructive as are his fundamental concepts for success:

- Liberal Democracy
- Market Capitalism
- The Rule of Law

***State-Building, Governance and the New World Order in the 21<sup>st</sup> Century*** is a compact book written by Professor Fukuyama after 9/11 but before the global financial crisis of 2008. Yet, he grasps the fundamentals of the world and its order; and provides an enduring framework for analyzing individual nations and their interactions. He posits that the fundamental ideas centered on order, security, law and property rights enabled America's success of the last half of the 20<sup>th</sup> Century.

Building states that consistently provide order, security, the rule of law and the rights of property will continue to serve us well if we have the institutional framework and fortitude to perpetuate them.

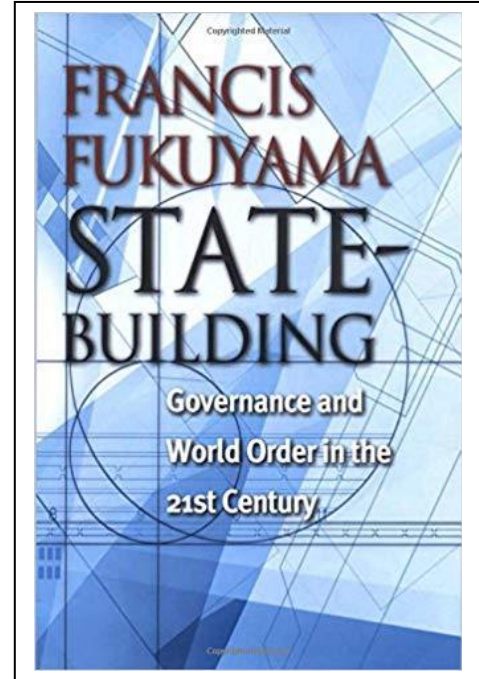
His essential point is that the assignment of our times is state-building, not state reduction. The need is to design and implement a system that serves our grander visions of building an effective “state” that lets each of us individually and all of us collectively achieve our dreams.

Blind allegiance to reducing the state for no purpose other than to reduce the state is a losing idea. Less government, reduced taxation, weaker institutions and a smaller public sector may be important, or not. Even if useful, these are means, not ends. Our end-game mission is to build a good society, strong economy and sustainable environment.

More or less government is not the issue; building effective governments and institutions that meet society's needs is the assignment. There must be a positive objective, clearly stated, closely watched and generally supported. Government does not need to be bigger or smaller, it needs to be better.

Institutions matter; they must be transparent and accountable, and properly tasked to support the goals of American society.

State reductionism that leads to under funding for infrastructure, poor secondary education and unfettered financial systems has been demonstrated to be a failure to all but the most ardent zealots.



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Professor Fukuyama quotes an interview with Milton Friedman [no known relation to Thomas] in 2001 noting that earlier, Dr. Friedman would have recommended “ ‘privatize, privatize, privatize’ to the socialist countries then being liberated, but... ‘I was wrong’, he continued, ‘It turns out that the rule of law is probably more basic than privatization’ ”.

Professor Fukuyama also addresses the process of nation-building in the emerging and third world environment. The idea of “capacity building” is central to his formula for success. Small cities and towns, like new nations, can benefit by embracing “capacity building” as a philosophy and driver of infrastructure improvements.

Better, more transparent, more vision-driven governance is critical. Additionally, institutions matter. From time to time, we are disappointed in their performance, but the task is to make them work, not discard, decimate or demonize them. Local institutions like libraries, education foundations, museums and programs of the YMCA and the Boys and Girls Clubs enhance society.

### Conclusions.

Professor Fukuyama provides standards that institutions must meet to retain their legitimacy.

- First, they [institutions] must clearly express their goals...often they are murky or hidden and therefore, impossible to support by consensus.
- Second, there must be formal systems to monitor and measure their performance. Business is ultimately governed by the market and expires when unsuccessful. Public and quasi-public institutions do not have this test to meet and therefore need another way to prove they are meritorious and deserving of continued support.
- The third idea is that institutions are not businesses and while many principles of business are useful, different goals, talents and skills are required to lead and manage NGOs, public agencies and private-public institutions. Public administrators generally lead these local governments and institutions. The leadership of capacity-building local governments and institutions cannot be handed to just anyone; professional help is required.

Professor Fukuyama gives us a vehicle for change: institutions properly constituted and directed, professionally staffed, transparent and accountable. Local governments and institutions become the last bastions of responsible, vision-driven capacity building that positively affect people's lives.

### Published Reviews.

*State-Building, Governance and the New World Order in the 21<sup>st</sup> Century*, Francis Fukuyama; Cornell University Press; 2004.

<http://www.theguardian.com/books/2004/jul/17/highereducation.news>

<http://www.amazon.com/State-Building-Governance-World-Order-Century/dp/0801442923>

[http://mises.org/misesreview\\_detail.aspx?control=273](http://mises.org/misesreview_detail.aspx?control=273)

### Books That Relate.

1. *Citistates, How Urban America Can Prosper in a Competitive World*, Neal R. Peirce with Curtis W. Johnson and John Stuart Hall, Seven Locks Press, Washington D.C., 359 pages, 1993.

## From the Planners' Bookshelf...

2. ***Customer Service.Gov: Technology Tools and Customer Service Principles for Innovative and Entrepreneurial Government***, [Bruce McClendon](#) (Author), [Mac Birch](#) (Contributor), [Ray Quay](#) (Contributor), CityGate Press, Folsom CA, 490 pages, 2013.
3. ***Operating Manual for Spaceship Earth***, Fuller, R. Buckminster [1885-1983], Southern Illinois University Press, 1969. Pocket Book edition published November, 1970; 7<sup>th</sup> printing, October, 1974.
4. ***State-Building, Governance and the New World Order in the 21<sup>st</sup> Century***, Francis Fukuyama, Cornell University Press, 2004.
5. ***The Art of the Long View, Planning for the Future in an Uncertain World***, Peter Schwartz, Currency Doubleday; 2001.
6. ***The Big Nine, How the Tech Titans & Their Thinking Machines Could Warp Humanity***; Amy Webb, Public Affairs, The Hatchett Book Group, NY, 2019.
7. ***The End of Poverty: Economic Possibilities for Our Time***, Jeffrey D. Sachs, Penguin Books; 2005.
8. ***The Future of Freedom, Illiberal Democracy at Home and Abroad***, Fareed Zakaria, W.W. Norton & Company; 2003.
9. ***The Great Reset, How New Ways of Living and Working Drive Post-Crash Prosperity***; Richard Florida, HarperCollins Publishers, ISBN 978-0-06-193719-4; 2010.
10. ***The Soros Lectures at the Central European University***, George Soros, Perseus Book Group; 2010.
11. ***The Upcycle: Beyond Sustainability--Designing for Abundance***, William McDonough, Michael Braungart, North Point Press, a Division of Farrar, Straus and Giroux, New York, 2013.
12. ***The World is Flat, A Brief History of the Twenty-First Century***; Thomas L. Friedman, Farrar, Straus and Giroux; 2005.
13. ***Thinking in Systems, A Primer***, Donella H. Meadows, Chelsea Green Publishing, White River Junction VT, 2008.
14. ***Triumph of the City, How our Greatest Invention Makes Us Richer, Smarter, Greener, Healthier and Happier***, Edward Glaeser, The Penguin Press [USA], London, 2011.