



CHANDLER
INSTITUTE OF GOVERNANCE

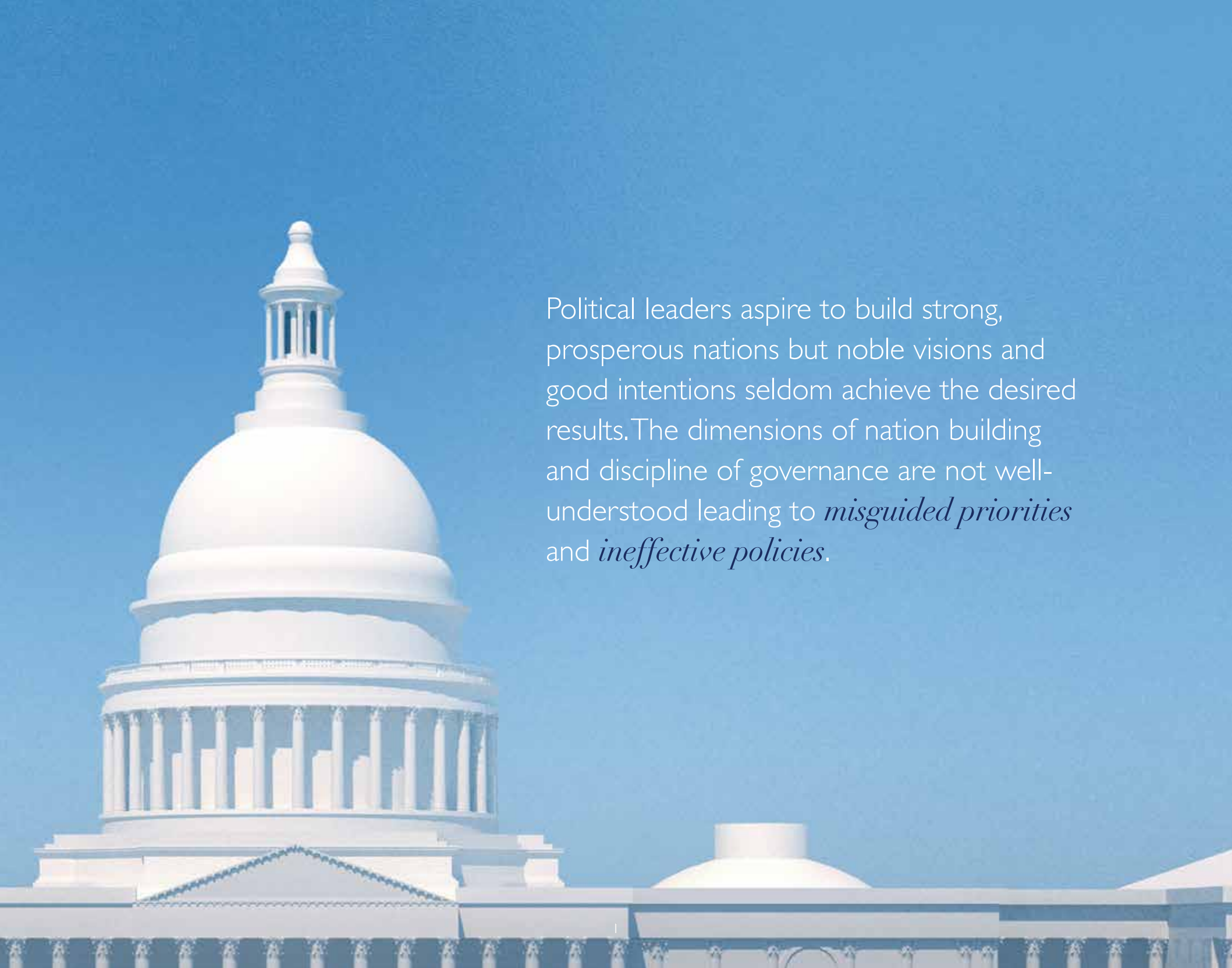
The Governance Mandate

BUILDING A STRONG & PROSPEROUS NATION



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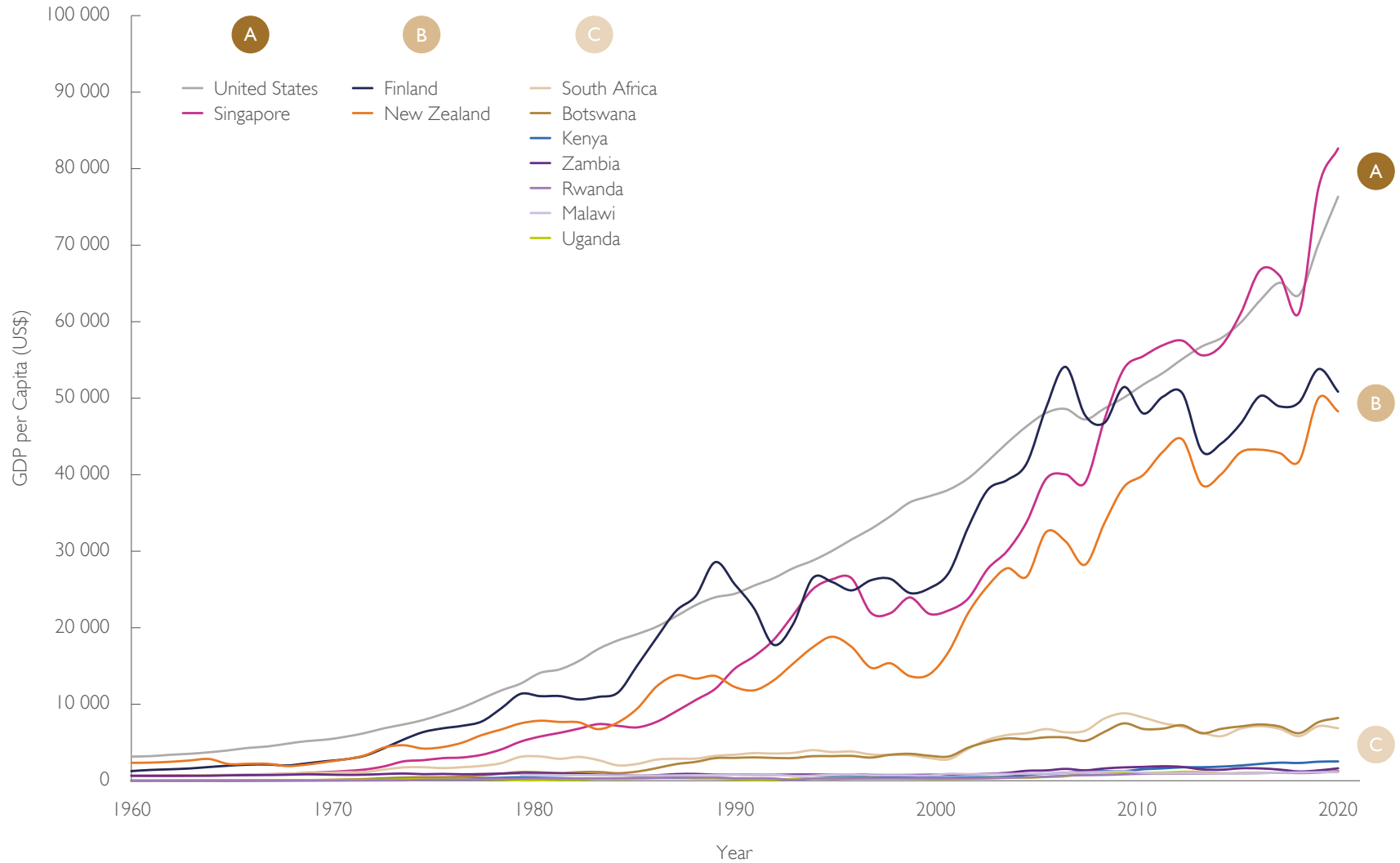
Political leaders aspire to build strong, prosperous nations but noble visions and good intentions seldom achieve the desired results. The dimensions of nation building and discipline of governance are not well-understood leading to *misguided priorities* and *ineffective policies*.

While A Few Countries are Flourishing,
Many Have Been Left Behind



Flourishing Societies vs Struggling Societies

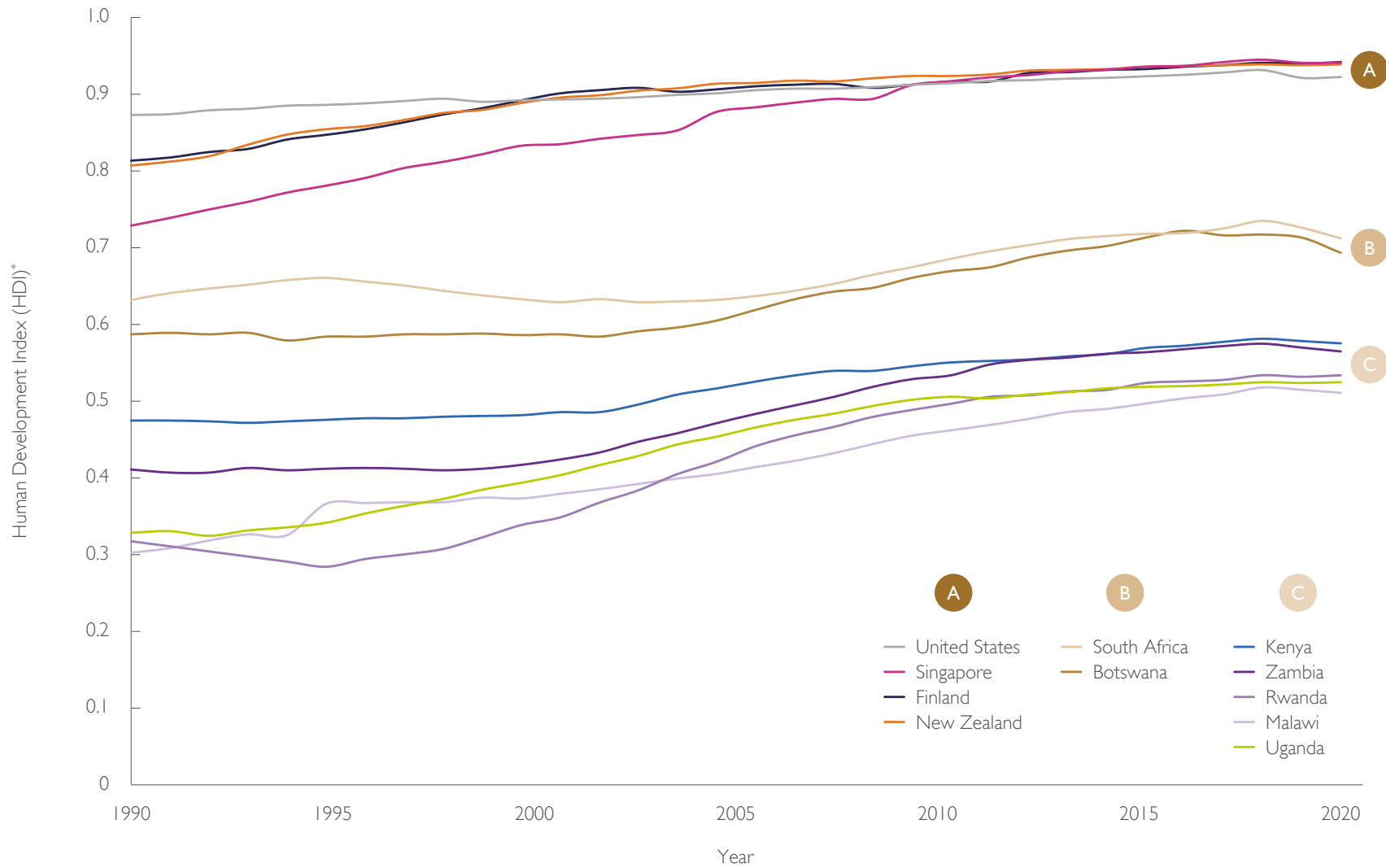
GDP Per Capita, 1960 – Present Day



Source: World Bank

Flourishing Societies vs Struggling Societies

Human Development Index, 1990 – Present Day



Source: United Nations Development Programme

*The Human Development Index (HDI) measures the average achievement in three key dimensions of human development: (1) a long and healthy life, (2) being knowledgeable, and (3) having a decent standard of living.

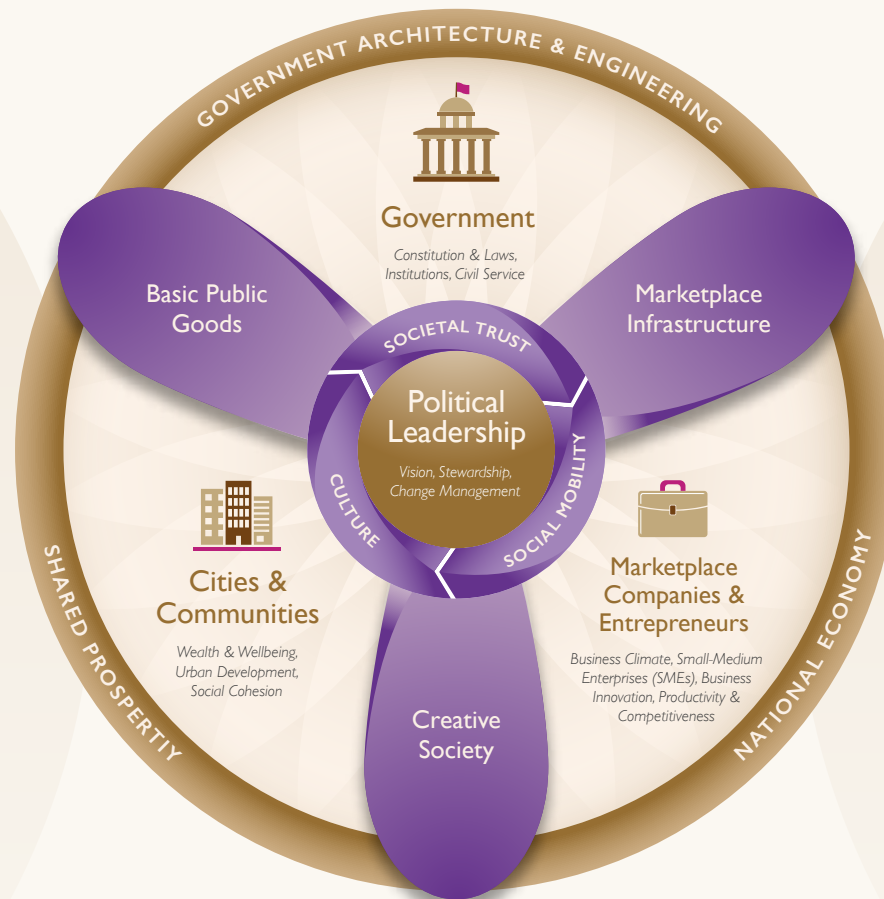
A Better Understanding is Needed

The foundations of strong, prosperous nations are built upon the pillars of political leadership and governance. Political leaders set forth the vision and deploy the political skills and management capabilities necessary for architecting and implementing policy across social, economic, and government domains. Governance is the process of stewarding a nation through laws and institutions. Good governance, which operates with skill, integrity, transparency, and accountability, increases societal trust, accelerates investment and job creation, and advances economic growth and prosperity.



*The Four Domains
of Governance*

The Chandler Governance Model



A TOTAL GAME APPROACH

The Chandler Governance Model aims to provide a holistic understanding of national prosperity and well-being. It serves as a governance blueprint that integrates the four domains of governance – political leadership, communities, business, and government.

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Political Leadership

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POLITICAL LEADERSHIP AND THE DESTINY OF THE NATION

Effective governance starts with wise and competent political leadership committed to national development and shared prosperity bringing together citizens and communities, marketplace companies and entrepreneurs, and government institutions.

Political leadership is built on a compelling vision, responsible stewardship of the nation's story, culture and resources, and effective policy-making. Great leaders demonstrate good judgement in navigating challenges, while also strengthening the national

economy and government capabilities. There are several leader archetypes; there is the “architect leader” who builds the foundations of government, the “social leader” who focuses on addressing the concerns of the community, the “stewardship leader” who manages the administration and resources of the country, and the “statesman leader”. A statesman is able to recognise the times and seasons of the world – and influence others with wisdom, moral courage, and principles. Leadership is contextual. What type of leader does your country need you to be in this season of its development?

Political Leadership

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Political leaders *create, communicate and empower* vision

The leader must craft a compelling vision spanning 7 to 10 years to focus the country's resources and talents towards a unifying set of goals. The vision sets out the nation's unique identity and competitive strengths, articulates the national, regional and international context, and defines the pillars and enablers which underpin the achievement of the vision's goals. A well architected national vision will be a roadmap to a wise, prosperous and unified nation where citizens are empowered with the freedom to express their creativity within a culture of contribution and responsibility governed by just and equitable laws. What is your country's vision and to what extent is it accepted by citizens, civil servants and the world?



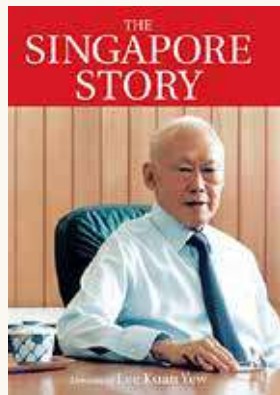
Political Leadership

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Political leaders steward a nation's *story*



The Singapore Story by Founding Prime Minister Lee Kuan Yew serves as a source of pride for Singaporeans, fostering a shared sense of history, values, and achievements.

A country is its history, the sum of all its stories. The national leader's role is that of a steward, entrusted with guiding the nation through each season or chapter in its unfolding story. The leader builds on the accomplishments of previous leaders and leaves a legacy for the next leader. Wise leaders build a stronger nation for the next generation.

Does your country have a national story accepted by its citizens as a true and honest account of its heritage? Story is legacy. How will history write your chapter in the nation's story?

Political Leadership

VISION

STEWARDSHIP

CHANGE MANAGEMENT



Political leaders
steward *national trust*
and *reputation*

Leaders that build trust and reputation attract capital and talent, build national pride, and increase influence regionally and internationally – this is called the nation’s brand value. Capital and talent are increasingly mobile – they gravitate to good governance and the rule of law. Nations with good governance will win the competition for capital and talent, enabling them to create strong economies built and sustained by innovation and entrepreneurship. Nations with weak governance will see capital flight and emigration. This will weaken their competitiveness and economic prospects. Is trust in government, marketplace and community measured as a metric of government performance?

What is Your Nation's Brand Value?

As companies can be measured by the value of their brand, so can nations. The brand value of a country is partly determined by its financial performance, as expressed by its GDP. The other determinant is its strength in the marketplace, as gauged by (1) brand assets – including the nation's governance, culture and heritage, education and science, people and values, (2) how it is perceived domestically and internationally – its “soft power”, and (3) the performance of the brand versus its competitors across criteria such as trade, investment, tourism and talent.

Effective branding enhances a nation's reputation and economic growth, boosting its global impact and brand value.

Nation Brand Value: Top 10 Countries



Source: Brand Finance

Political Leadership

VISION

STEWARDSHIP

CHANGE MANAGEMENT



Political leaders steward
a nation's *identity*,
heritage, and *culture*

The power and influence of a nation is not just determined by the size of its treasury or the might of its army, but equally by the richness of its heritage and culture, and the wisdom of its leadership.

Wise leaders will honour the heritage, steward the culture and guard the values which define national identity. They articulate and repeat these in speeches, national narratives, and traditions. Immigration policies and integration processes ensure national culture, traditions and values are learned and respected.

What are the beliefs, ideals and truths which define your identity? Are they codified in the constitution and articulated in national narratives? Does your country have a unifying national story? To what degree is national identity defined, articulated and celebrated in your country?

Political Leadership

VISION

STEWARDSHIP

CHANGE MANAGEMENT



Political leaders
steward a nation's
security and *defence*

Strong nations invest wisely in national defence. This begins with effective border security and includes building a capable military and establishing mutual defence relationships. A comprehensive strategy will recognise the value and importance of cultivating regional understanding and relationships. History is a narrative of the rise and fall of nations. Wise political leaders will become students of history to recognise, discern, and manage threats and opportunities.

Political Leadership

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STEWARDSHIP

CHANGE MANAGEMENT

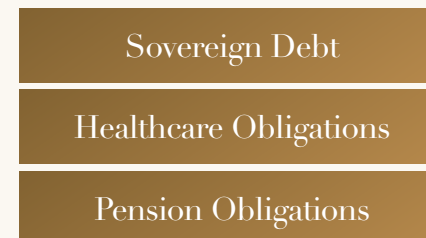
Political leaders steward a nation's *economy* and *balance sheet*

A country's economic strength and vitality determines the government's ability to build a middle class, fund basic public goods, and invest in defence. Financial discipline is key to economic health and sustainability. Households and companies that spend more than they earn – and borrow to do so – go bankrupt. So do nations. Does your nation exercise financial wisdom, balancing its budget and building up reserves to increase resilience to crises?

National Assets



National Liabilities



Political Leadership

VISION

STEWARDSHIP

CHANGE MANAGEMENT



Political leaders steward
a nation's *natural resources*
and *environment*

Each nation has natural resources; some have valuable fossil fuels and metals, others have abundant seas, farmland, renewable energy (solar, wind, hydro, geothermal), and scenic beauty. Political leaders must be thoughtful about how to harness these resources in a sustainable and environmentally friendly manner. Stakeholder engagement and transparency are important principles. A wise natural resource strategy will ensure development benefits the nation, licences are awarded transparently, and oversight bodies ensure compliance with regulations.

Political Leadership

VISION

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CHANGE MANAGEMENT



Political leaders
set *priorities*

The Force of Focus: Objectives and Key Results (OKRs)

Every national leader has the challenge of translating vision into well-designed policies and skillfully managing their implementation. The fewer the goals, the more likely they are to be achieved. The “disciplined pursuit of less” creates focus and accelerates outcomes. It is essential that national policies and plans integrate the unseen forces of Culture, Societal Trust, and Social Mobility, as without these, policy initiatives will fail to achieve their objectives.

The Change Management Unit (CMU)

Change is challenging! The change management process involves developing plans, garnering support from stakeholders through communications and consultation, and executing effectively through well-designed legislation and capable institutions. Who leads change management? Where capable government ministries exist, they can lead policy design and implementation. Some goals are best managed by a change management unit (CMU), comprised of talented and experienced managers – and reporting to the national leader.

Political Leadership

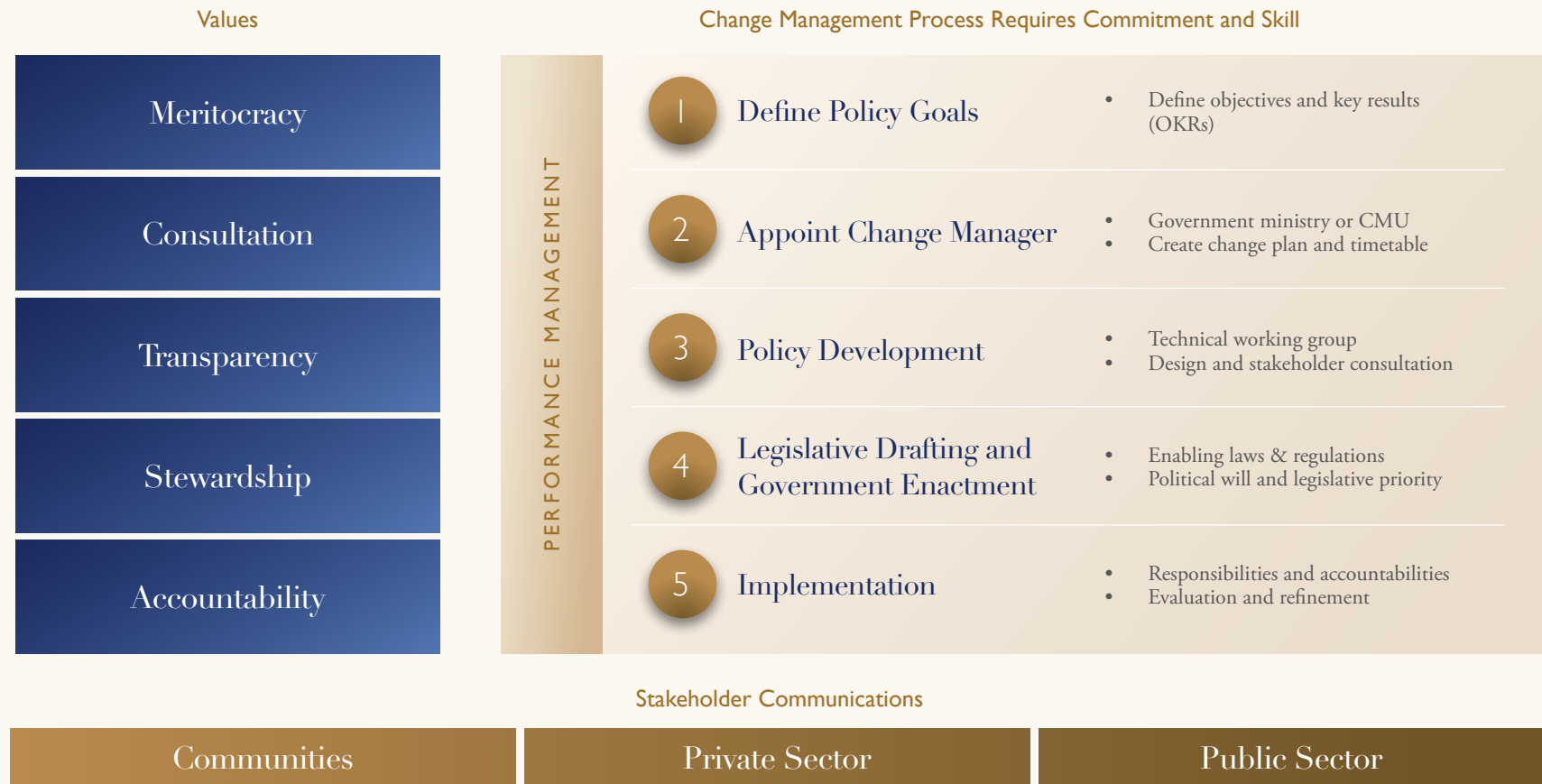
VISION

STEWARDSHIP

CHANGE MANAGEMENT

Policy Execution

Successful change management requires a well defined process, a set of guiding values and strong stakeholder communications.



Political Leadership

VISION

STEWARDSHIP

CHANGE MANAGEMENT



Political leaders build and manage an *inner circle*

Building a Leadership Team

Political leaders require a capable leadership team to manage key roles. They are dependent on this team to steward the civil service and lead and implement change. Appointing a gifted HR manager to find the best leaders and managers is one of the most important things a political leader can do to position their administration for success. The next task is to put the right people in the right seats.

Qualifications for the Inner Circle

Integrity

Skills

Courage

Wisdom

Loyalty

Communication

Creating Unity and Agreement on Core Beliefs

Unity and agreement are force multipliers. An effective political leader will be intentional in creating a core ideology and culture that defines how the team operates and what it values. The culture must be codified into principles and written down so expectations are understood. Are your principles and core ideology well articulated so there is an intuitive understanding of identity and vision? What are the key messages and priorities of the government? Does the leadership team speak with one voice?

Political Leadership

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STEWARDSHIP

CHANGE MANAGEMENT



Political leaders *manage the information space and build consensus*

Phygital Communication

Political leaders master the physical and digital information space when advancing policy priorities. Building awareness and support for change requires engaging, connecting and communicating with stakeholders through a broad spectrum of channels. Political and national unity is a priceless asset. It must be nurtured.

Getting to “Yes”

Passing legislation requires negotiation and compromise with parliamentary colleagues and opponents. Good leaders adopt a collaborative style and avoid authoritarian and coercive approaches to change. The art of dialogue and compromise is an essential political skill.

“It is amazing what you can accomplish if you do not care who gets the credit.”

Harry S Truman

*President of the United States,
1945-1953*

Political Leadership

VISION

STEWARDSHIP

CHANGE MANAGEMENT



Political leaders
manage *succession*

“Political leaders are judged by, first, how effectively they exercise their authority in the interests of their people. Second, by the way in which they have provided for continuity so that a successor government will continue to protect and advance the interests of the people. And third, by the grace with which they leave office and hand over to their successors.”

Lee Kuan Yew

Prime Minister of Singapore, 1959-1990



Government

CONSTITUTION & LAWS

INSTITUTIONS

CIVIL SERVICE

THE ARCHITECTURE AND ENGINEERING OF GOVERNMENT

Strong nations are founded on well designed constitution and laws, which establish structures, systems, and institutions essential for effective governance. The civil service acts as the backbone of this domain to ensure the functionality of these systems, upholds the rule of law, and enables the delivery of public services, thus driving sustainable development.

Government

CONSTITUTION & LAWS

INSTITUTIONS

CIVIL SERVICE

A founding constitution sets out the nation's core beliefs, values, and governance framework (executive, legislative, and judicial bodies). The constitution – which acts as a guide for laws and regulations – needs ongoing review to maintain relevance. All great civilisations were founded upon great laws.

Great leaders were wise law givers.



Hammurabi
The Babylonian Empire

Code of Hammurabi



Cyrus the Great
The Persian Empire

Cyrus Cylinder



Emperor Justinian
The Roman Empire

Justinian Law



Napoleon Bonaparte
The French Empire

Napoleonic Code



King John of England
The British Empire

Magna Carta



James Madison, John Jay,
Alexander Hamilton
The United States of America

The Federalist Papers

Government

CONSTITUTION & LAWS

INSTITUTIONS

CIVIL SERVICE

THE ARCHITECTURE AND ENGINEERING OF GOVERNMENT

Each nation develops an institutional framework to support the functioning of the state. A “whole of government” architecture includes the design, structures, and systems of the cabinet, government ministries and state institutions. Each of these entities must be intentionally designed and engineered to ensure they are fit for purpose and operate effectively and efficiently.

A well-run government will have defined policies, operating manuals, and processes for each ministry.

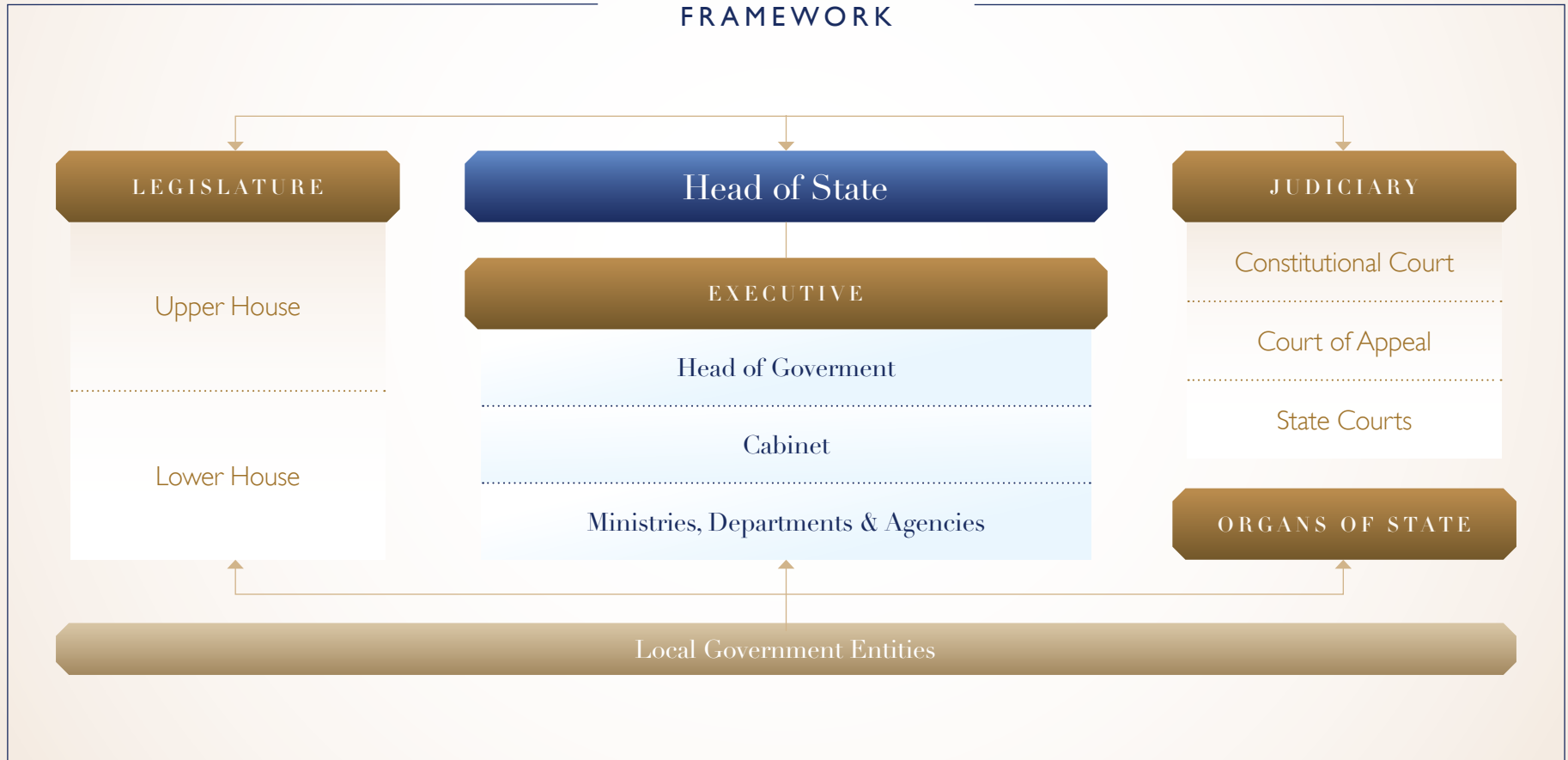
Government

CONSTITUTION & LAWS

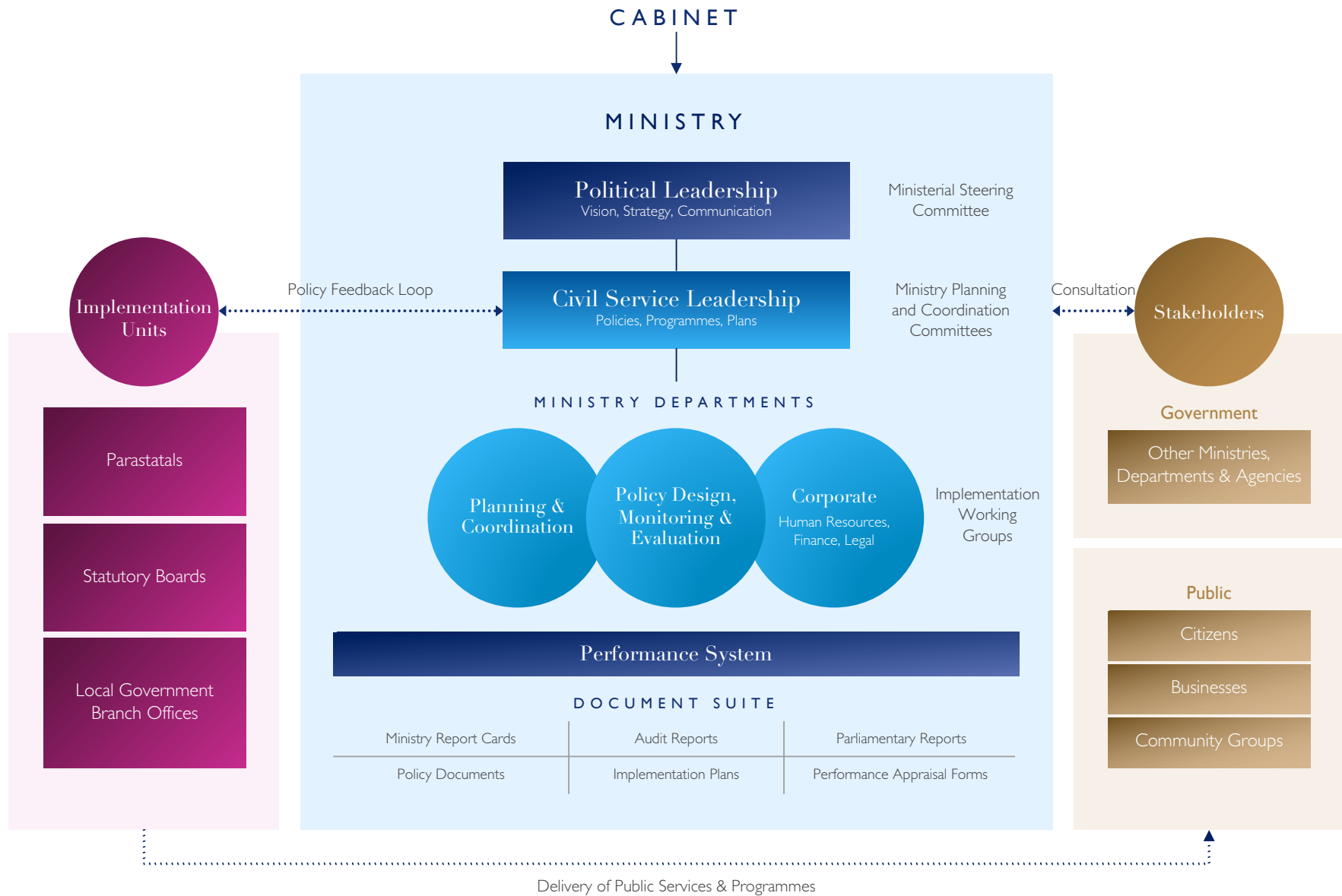
INSTITUTIONS

CIVIL SERVICE

CONSTITUTIONAL FRAMEWORK



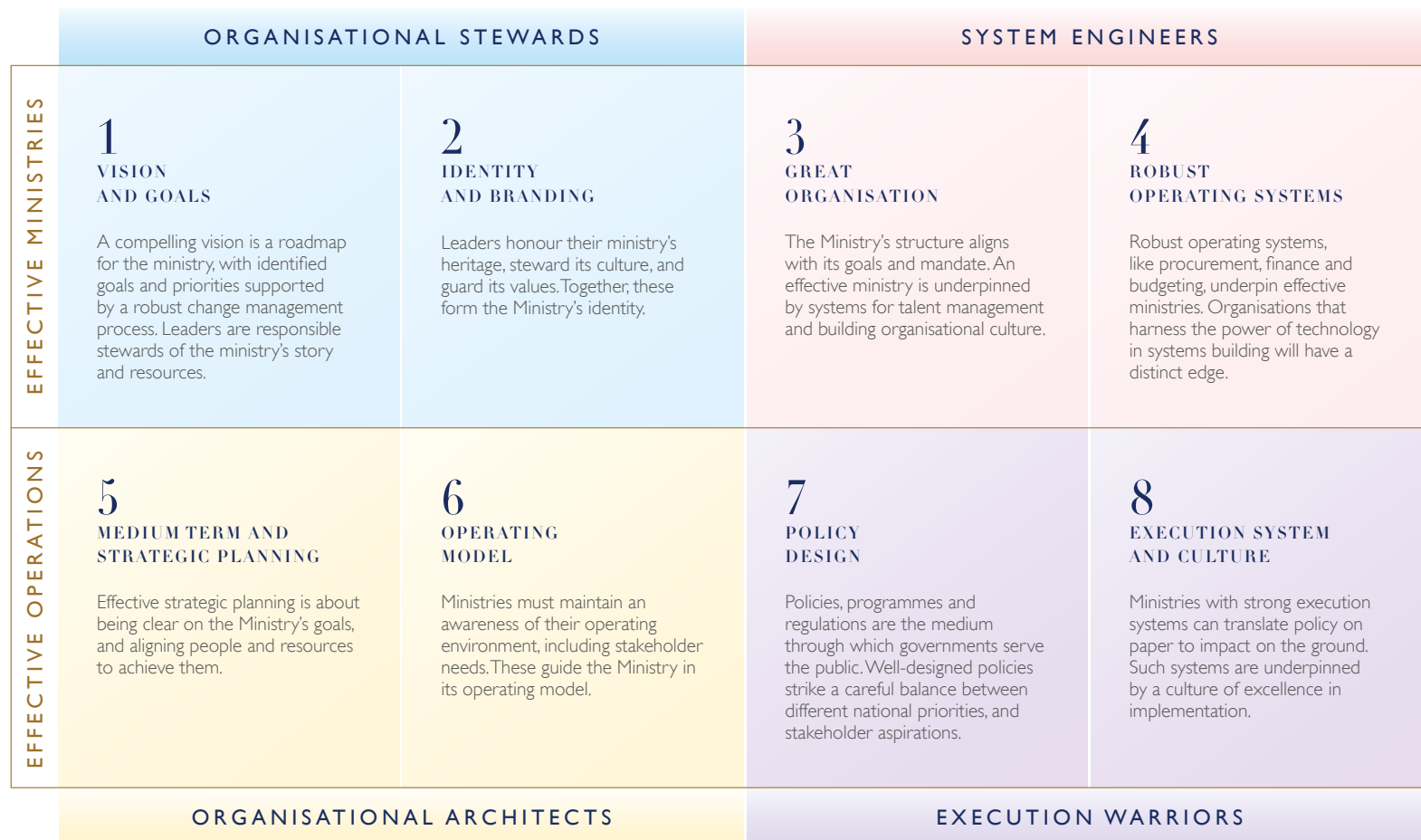
Government Ministry Operating System



Building Effective Ministries; Powered by Technology

Effective Ministries form the core of good government. They are guided by leaders who have a vision and understand the organisational story, they have robust operating systems and a strong talent base, they have clear strategies and allocate resources in line with the strategies, and they can implement effective policies.

Ministries that can harness the power of technology raise productivity, improve transparency and respond better to those they serve. They use technology both in their internal operating systems, and to deliver services through digital channels.



Government

CONSTITUTION & LAWS

INSTITUTIONS

CIVIL SERVICE

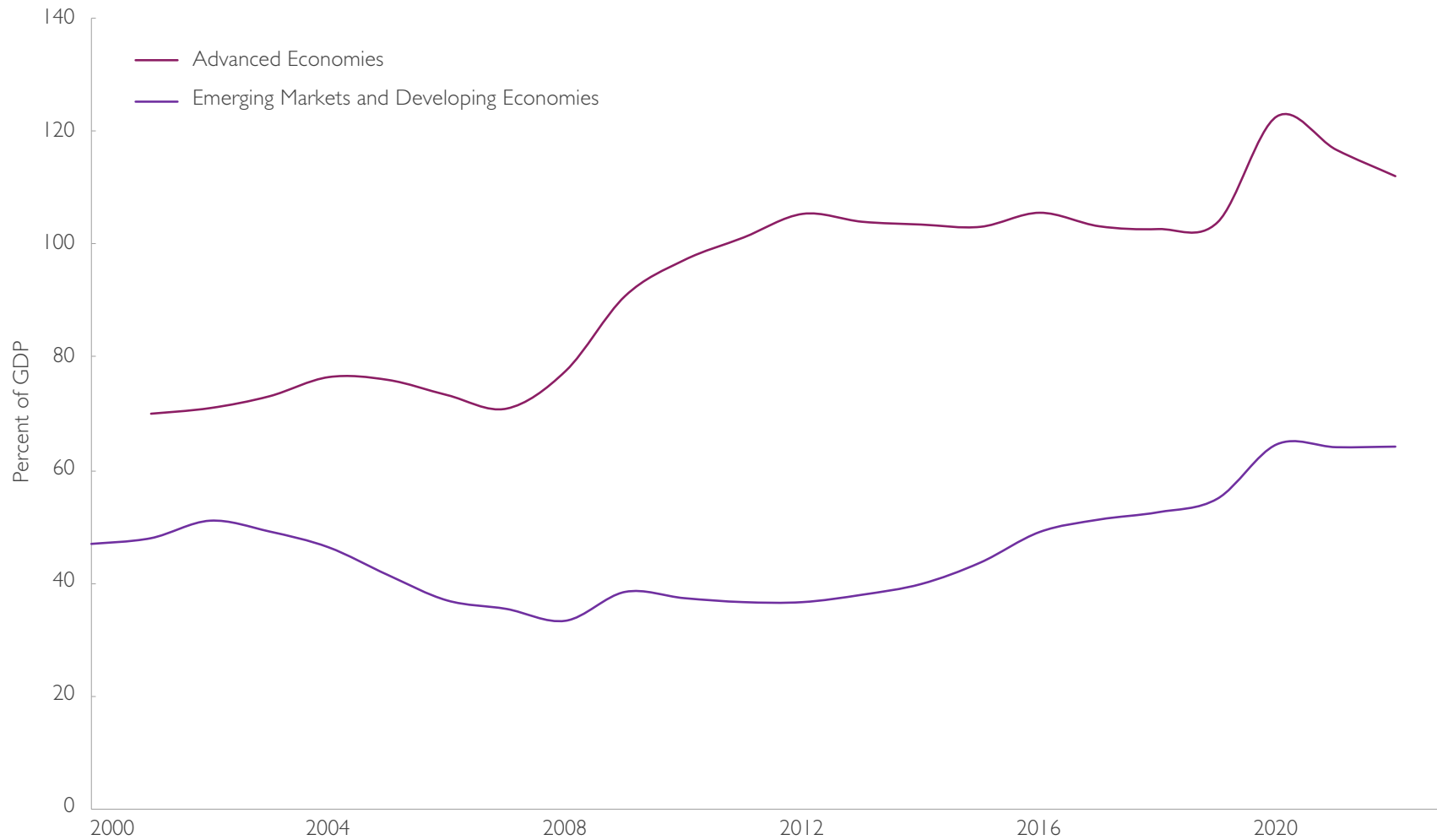
BUDGETING & FINANCIAL MANAGEMENT

The responsible stewardship of government finances is a skill that separates strong nations from weak ones. Professional governments have a robust and disciplined budgeting process with oversight from an independent body to review the accuracy of budget forecasts and the impact of policy changes. They will also have an audit entity to review expenditure and ensure appropriate controls.

A government that demonstrates responsible financial stewardship builds trust and respect – and sets an example to its citizens. However, few governments have a policy setting a limit on the national debt – and many lack proper budgeting and financial control systems. This leads to economic and political instability as national resources are directed to interest payments rather than investment in the productive potential of the country. Strong nations put surplus resources into a Sovereign Wealth fund to draw on to manage crises (e.g. pandemics, financial crises, and defence).

Rising Debt Undermines Economic Resilience

General Government Debt (% of GDP)*



Source: International Monetary Fund (IMF)

*General Government Debt (% of GDP) is defined as the total stock of debt liabilities issued by the general government as a share of GDP

Government

CONSTITUTION & LAWS

INSTITUTIONS

CIVIL SERVICE

An effective government has the *skills and capabilities* to implement policies, deliver public services efficiently, and professionally manage the ministries and institutions of the state. This requires attracting the best talent, training civil servants, building effective ministries with efficient systems and processes, and creating oversight structures for performance and accountability.

A professional civil service ensures *competent leaders* in key roles. The Singapore Civil Service is recognised as one of the world's most capable. One reason is that it seeks out the strongest talent and pays them at the elite level of the private sector.

The Chandler Institute of Governance offers consulting on civil service performance management systems and compensation policies.

How Capable is Your Government?



CHANDLER GOOD GOVERNMENT INDEX

The Chandler Good Government Index (CGGI) evaluates government performance across 104 countries annually. In many countries, the ability to create and implement public policies that yield positive national outcomes is held back by weak capabilities – which means a lack of knowledge, systems, and processes.

The Seven Pillars of Effective Government



Leadership
& Foresight



Robust Laws
& Policies



Strong
Institutions



Financial
Stewardship



Attractive
Marketplace



Global Influence
& Reputation



Helping
People Rise

CGGI Ranking 2023

Top 10 Countries

1		Singapore
2		Switzerland
3		Finland
4		Denmark
5		Norway
6		Sweden
7		Netherlands
8		Germany
9		United Kingdom
10		New Zealand

Bottom 10 Countries

95		Ethiopia
96		Iran, Islamic Rep.
97		Zambia
98		Burkina Faso
99		Mozambique
		Nigeria
100		Lebanon
		Mali
102		Zimbabwe
104		Venezuela



Marketplace Companies & Entrepreneurs

**BUSINESS
CLIMATE**

**SMALL-MEDIUM
ENTERPRISES (SMES)**

**BUSINESS INNOVATION,
PRODUCTIVITY & COMPETITIVENESS**

THE ENGINE OF ECONOMIC STRENGTH AND NATIONAL PROSPERITY

Marketplace companies and entrepreneurs catalyse national development through the creation of innovative products and services, driving economic expansion and addressing societal needs. By generating abundant employment opportunities, they not only invigorate the economy but also reduce unemployment, paving the way for greater social mobility.

Marketplace Companies & Entrepreneurs

**BUSINESS
CLIMATE**

**SMALL-MEDIUM
ENTERPRISES (SMES)**

**BUSINESS INNOVATION,
PRODUCTIVITY & COMPETITIVENESS**



Business leaders are entrusted with the responsible and productive management of a nation's economic resources (labour, capital, and natural resources). The government's role is to set the rules of the game such that all stakeholders (employees, customers, suppliers, society, and shareholders) benefit in a fair and just manner.











A wise government will establish a business environment that welcomes, encourages, and rewards investment, entrepreneurship, and risk-taking. Key to this are business-friendly, pragmatic, and predictable regulations and tax regimes.

Business Environment Rankings in 2023

Top 10 Countries

1		Singapore
2		Switzerland
3		Hong Kong
4		Canada
5		Australia
6		Sweden
7		USA
8		New Zealand
9		Finland
10		Denmark

Bottom 10 Countries

73		Azerbaijan
74		Pakistan
75		Algeria
76		Nigeria
77		Kenya
78		Cuba
79		Libya
80		Angola
81		Iran
82		Venezuela

Marketplace Companies & Entrepreneurs

BUSINESS
CLIMATE

SMALL-MEDIUM
ENTERPRISES (SMES)

BUSINESS INNOVATION,
PRODUCTIVITY & COMPETITIVENESS

Small and medium-sized enterprises (SMEs), representing about 90% of businesses and over 50% of global employment, are pivotal in driving innovation, creating jobs, and contributing up to *40% of national income in emerging economies*.

By pioneering new products and services, stimulating competition, and with appropriate governmental support, these SMEs have the potential to significantly accelerate economic growth and serve as the engine of national development.

Marketplace Companies & Entrepreneurs

BUSINESS
CLIMATE

SMALL-MEDIUM
ENTERPRISES (SMES)

BUSINESS INNOVATION,
PRODUCTIVITY & COMPETITIVENESS

Small businesses, particularly in developing countries, often face considerable difficulties in securing formal financing, relying instead on family and high-cost unregulated organisations.

A staggering 40% of these enterprises, which equates to 65 million firms, confront an unmet financing need of *US\$ 5.2 trillion annually*.

Marketplace Companies & Entrepreneurs

BUSINESS
CLIMATE

SMALL-MEDIUM
ENTERPRISES (SMES)

BUSINESS INNOVATION,
PRODUCTIVITY & COMPETITIVENESS

A nation's economic strength flows from *the scale and strength of its businesses* and *the vitality of its marketplaces*. Creating a strong business sector requires establishing an ecosystem of institutions, regulations, incentives and infrastructure (physical, financial, and legal) to support business creation and growth. This ecosystem sets the foundation for a free market economy with efficient labour markets, capital markets, and goods markets. Government policy will invest in education and skills training, encourage innovation, maximise productivity, and remove barriers to competition.



Cities & Communities

WEALTH & WELLBEING

URBAN DEVELOPMENT

SOCIAL COHESION

BUILDING FLOURISHING CITIES AND COMMUNITIES

Cities and communities are catalysts for national development, fostering talent and skills for productivity and innovation, and acting as vibrant centres of capital, commerce, and trade. Beyond economics, they enhance societal wellbeing by providing platforms for social interaction and cultural expression, contributing to a rich, cohesive society.

Cities & Communities

WEALTH & WELLBEING

URBAN DEVELOPMENT

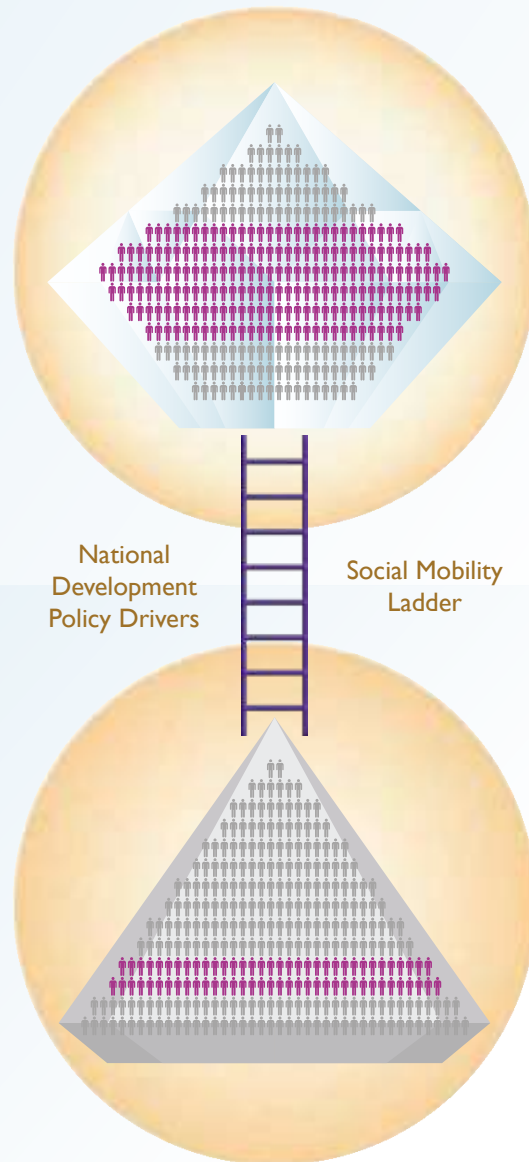
SOCIAL COHESION

True national prosperity extends beyond mere economic metrics. While GDP and wealth are important, the wellbeing of a nation's citizens – encompassing *health, education, security* and *social mobility* – is more so.

A robust economy is dependent on a healthy, educated, and aspiring populace. A successful economy expands citizens' access and opportunity for professional and social advancement which in turn leads to improvements in physical, material, and psychological health. Therefore, economic strategies must integrate with initiatives prioritising *community and citizen wellbeing*.

Build a Strong Middle Class to Create Shared Prosperity

Strong Social Mobility
Creates Shared Prosperity



FROM PYRAMIDS TO DIAMONDS

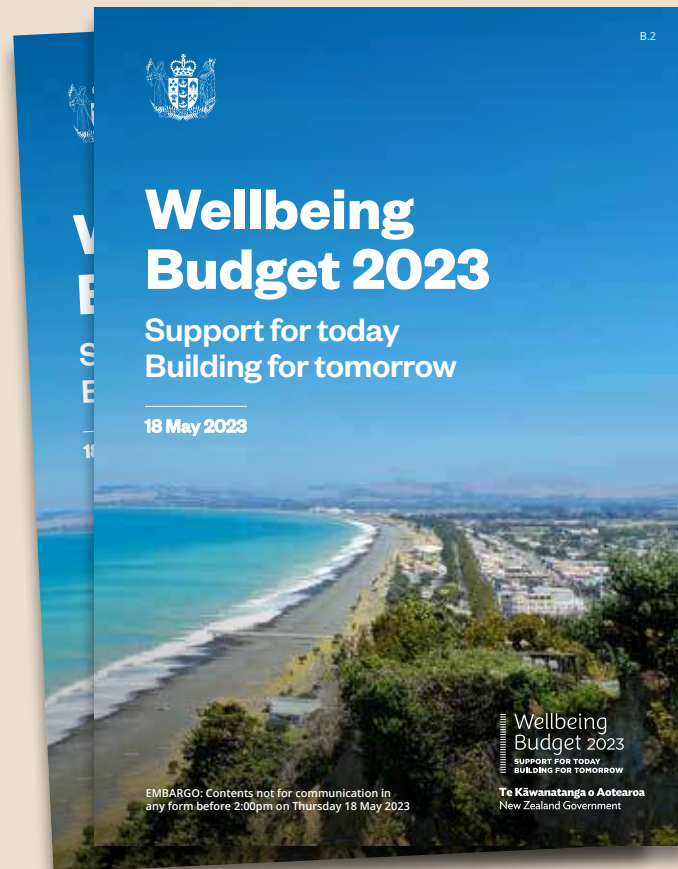
Wise nations create effective social mobility ladders built on meritocracy and “fair society” values. These nations have strong middle classes with less inequality. Middle class wealth has been built through vibrant economies anchored in free markets and entrepreneurship, and guided by prudent fiscal and monetary policy.

 Size of middle class

Weak Social Mobility
Creates a Poor Middle Class

Weak social mobility creates a small, weak and poor middle class at the bottom of the societal pyramid. With strong social mobility, the middle class becomes larger, stronger and wealthier, providing the creative and economic engine for a prosperous, creative and fulfilled society.

Shared Prosperity & Community Wellbeing



Integrating Financial and Social Policies: New Zealand's Wellbeing Budget

The wellbeing approach emphasises collaboration across the Government and communities, and focuses on ensuring that the wellbeing of all citizens is at the heart of investment decisions.

Cities & Communities

WEALTH & WELLBEING

URBAN DEVELOPMENT

SOCIAL COHESION

Urban planning plays a vital role in *improving social mobility and meeting the aspirations of hard-working citizens and growing businesses*. As the middle class grows, their desire for improved infrastructure, appealing and liveable environments, and better amenities becomes increasingly evident.

Wise urban planners design neighbourhoods which promote healthy, safe, and inspiring environments with community ecosystems such as schools and healthcare.











Countries with
Highest Liveability in 2021/22

1	Vienna Austria	
2	Copenhagen Denmark	
3	Melbourne Australia	
4	Sydney Australia	
5	Vancouver Canada	
6	Zurich Switzerland	
7	Calgary Canada	
8	Geneva Switzerland	
9	Toronto Canada	
10	Osaka Japan	
	Auckland New Zealand	

How Liveable are Your Cities?

The Global Liveability Index, by the Economist Intelligence Unit (EIU), ranks cities based on living conditions, influencing relocation decisions, guiding policymakers, impacting economic indicators, and highlighting global urban trends. This tool offers insights into a city's quality of life, economic prospects, and areas needing improvement, thereby shaping global awareness of urban challenges.

Countries with
Lowest Liveability in 2021/22

182	Doula Cameroon	
183	Kyiv Ukraine	
184	Harare Zimbabwe	
185	Dhaka Bangladesh	
186	Port Moresby Papua New Guinea	
187	Karachi Pakistan	
188	Lagos Nigeria	
189	Algiers Algeria	
190	Tripoli Libya	
191	Damascus Syria	

The Transformation of London's King's Cross

King's Cross in London exemplifies urban redevelopment with its remarkable transformation from a neglected area to a vibrant neighborhood. The restoration efforts balanced historical preservation and modern infrastructure, reviving the iconic King's Cross station as a central transportation hub. The reimagined spaces now boast a mix of residential, commercial, and cultural establishments, showcasing the power of thoughtful planning in revitalising urban landscapes.

Before Redevelopment



After Redevelopment



Cities & Communities

WEALTH & WELLBEING

URBAN DEVELOPMENT

SOCIAL COHESION

Promoting social cohesion is crucial for resilient communities. Governments can foster unity through *inclusive social programmes*, *responsible media reporting*, and *robust safety nets*. Emphasising a national identity, ethnic integration and ensuring security for all lead to harmonious societies.

Singapore: Fostering Unity in Diversity

Singapore's racial cohesion policies are the backbone of its flourishing multicultural society. The government has introduced a multifaceted approach to foster social harmony and unity among its diverse populace.

Education



Photo credit: Honey Kids Asia

In the education sector, the nation offers multilingual education to encourage proficiency in English, Mandarin, Malay, and Tamil, promoting effective communication across different ethnic groups.

Public Housing



The implementation of ethnic quota housing ensures an even distribution of residents from different ethnic backgrounds in public housing estates, preventing the formation of racial enclaves.

Community



Community-building initiatives are in place to promote cultural understanding, such as funding for ethnic-based community organisations and events that celebrate various traditions.

*Transforming Your Country —
The Transformation Ring*

The Transformation Ring

The Chandler
Governance Model



THREE UNSEEN FORCES OF POLITICAL LEGITIMACY AND NATIONAL TRANSFORMATION

The ability of political leaders to implement change rests on the support of the people and the capability of government bureaucracy. Broad-based support depends on the level of trust in the leadership, the ability of all citizens to access opportunity (social equity) and create wealth (social mobility), and policies which honour and respect the nation's heritage and values. Policy programmes which do not integrate the Transformation Ring elements will not achieve desired outcomes.

The Transformation Ring

SOCIETAL TRUST

SOCIAL MOBILITY

CULTURE

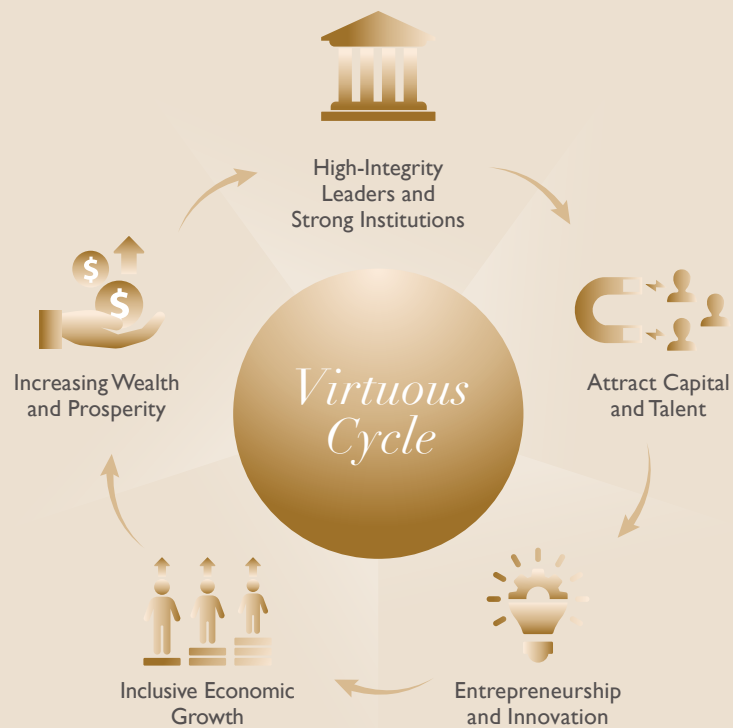
Societal Trust

Societal trust signifies the collective confidence individuals hold in each other and their institutions, serving as a cornerstone for social cohesion, and fueling economic and political stability. It is a societal catalyst that enhances collaboration and reduces societal frictions, thus impacting everything from crime rates and public health to governance.

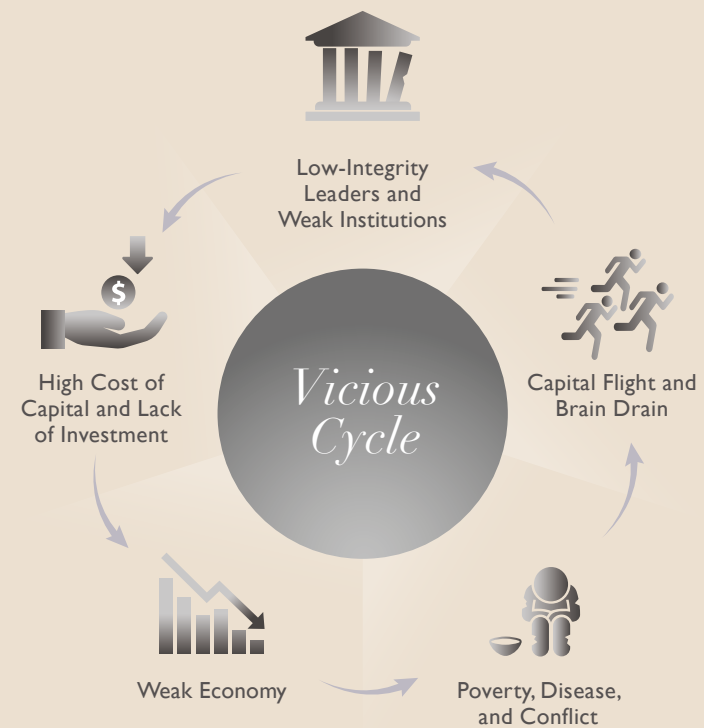
Capital and talent drive a nation's creativity and productivity – and they are increasingly mobile. Governments that build a high-trust nation anchored in integrity, transparency, and accountability win the competition for retaining and attracting talent and capital.

High-Trust Nations Flourish – Trust Matters!

HIGH-TRUST NATION

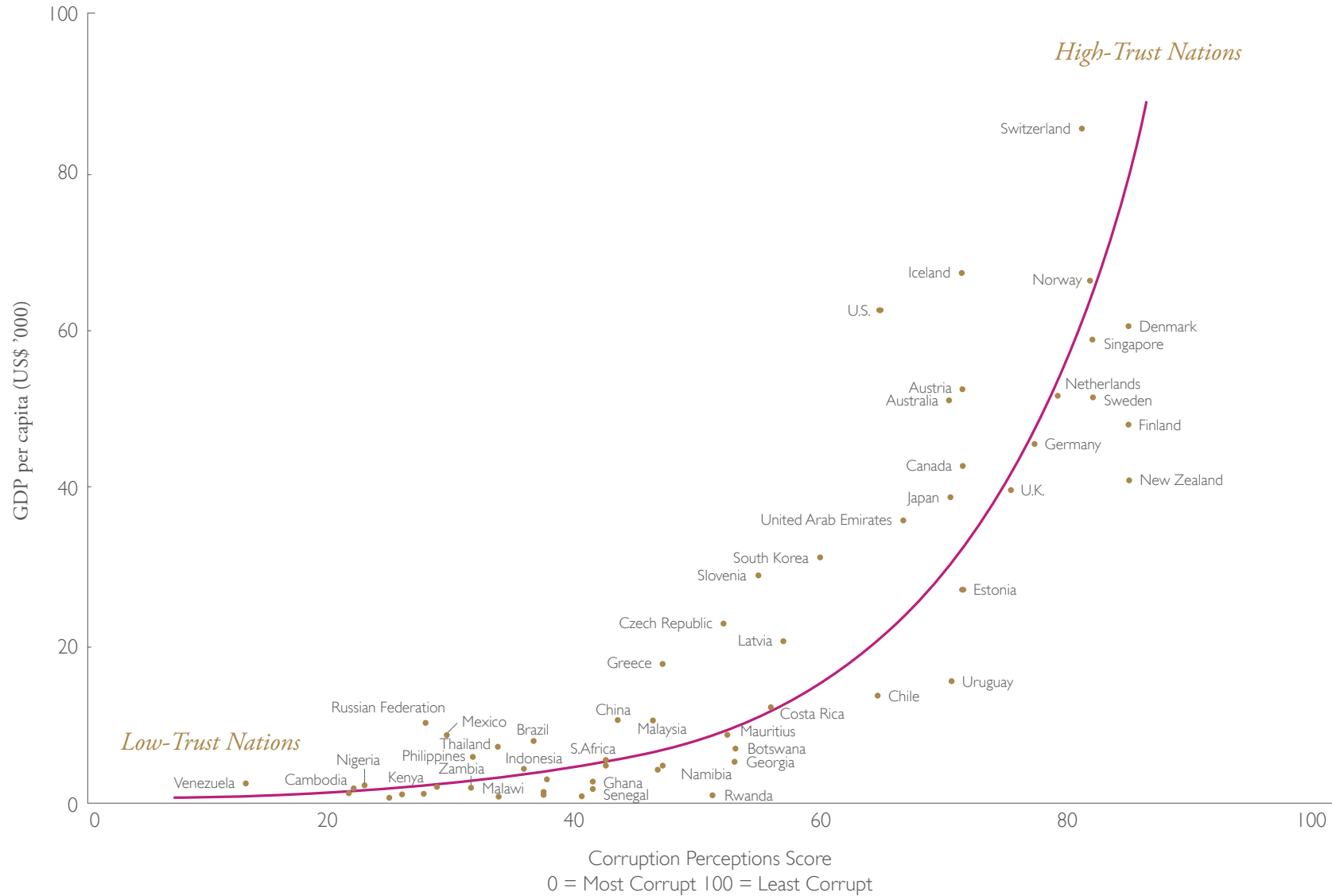


LOW-TRUST NATION



High-Trust Nations are High-Income Nations

The Integrity Curve



Sources: World Bank Dataset (2021); Corruption Perceptions Index, Transparency International (2021)



The Trust Waterfall

Trust, the vital currency for societal prosperity, must permeate all aspects of our lives, originating from three core societal spheres: government, business, and community.

These entities are interconnected and exert a significant influence on one another, creating the “The Trust Waterfall”. The government, demonstrating ethical leadership and applying the rule of law, plays the pivotal role in initiating this trust cascade.

Is your government measuring trust across these three domains to form a picture of the nation’s trust capital - and where it needs to be strengthened?

The Transformation Ring

SOCIETAL TRUST

SOCIAL MOBILITY

CULTURE

Social Mobility

Social mobility, the ability of individuals or families to ascend or descend the social and economic rungs in a society, serves as a gauge of societal fairness, economic vitality, and the merit-based potential for upward progress. When enhanced, it creates a dynamic and adaptable society, fostering innovation by enabling talent from all backgrounds to contribute to national development.

The Social Mobility Ladder

HELPING PEOPLE RISE

The Social Mobility Ladder represents the potential for individuals to progress in society. In societies where social equity and meritocracy are cherished, the ladder is envisioned as tall, enabling people from all backgrounds to aspire towards and reach their economic and psycho-social ambitions.

Wise and capable national leaders architect an environment that promotes active participation and self-growth, thus creating a tall ladder with closely spaced rungs.



Social Mobility Ladders Help People Rise



A PATHWAY TO SHARED PROSPERITY

Strong social mobility ladders, underpinned by basic public goods and robust marketplace infrastructure, propel societies from economic survival to shared prosperity.

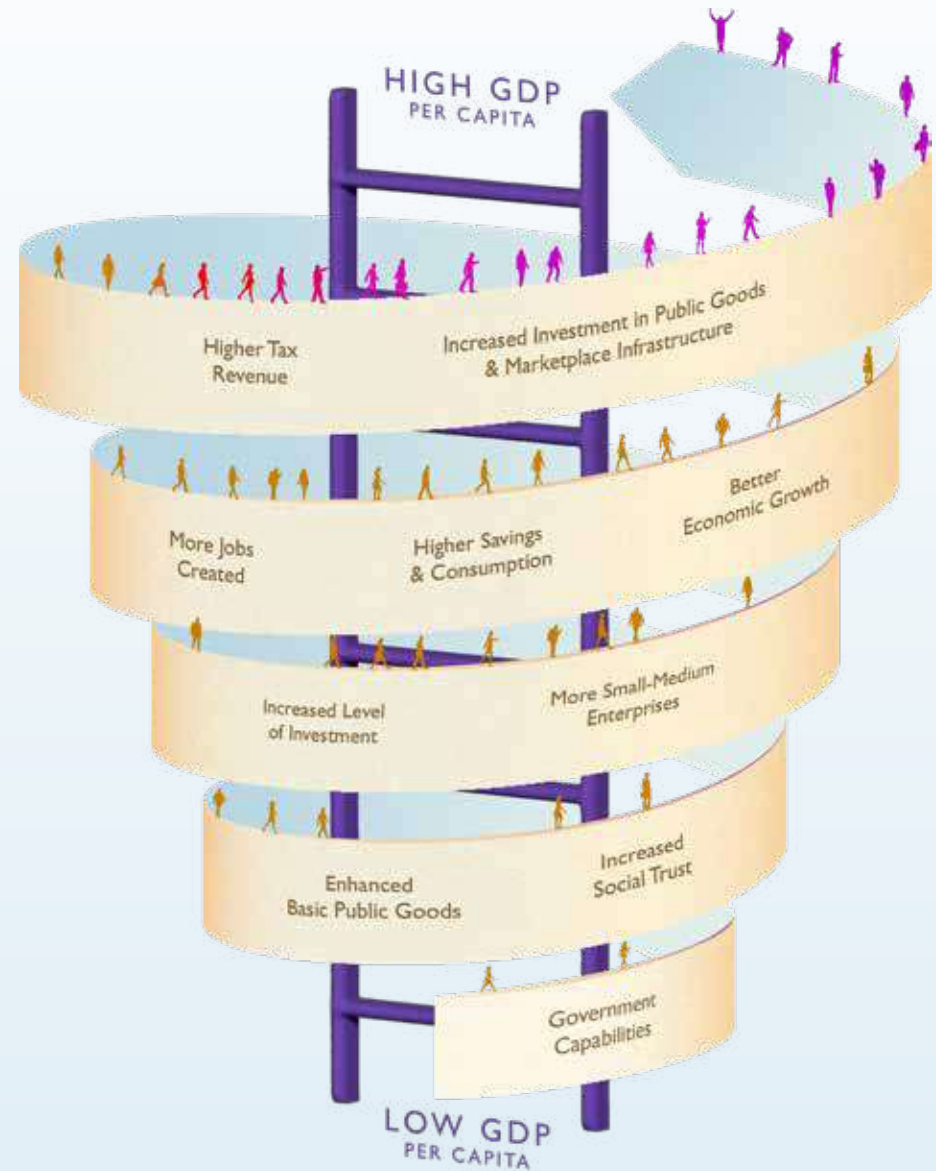
Governments have a key role in developing policies and enacting legislation that equip citizens and businesses with skills, marketplace platforms, and opportunities to foster a creative society. By establishing an equal playing field, these policies allow individuals to shape their own destinies, transforming the quest for an improved life from a mere possibility into an actual reality.

Social Mobility and the Development Pathway

BUILDING A STRONG MIDDLE CLASS

The middle class plays an important role in national development. As their wealth expands, so does their savings and consumption power, driving both demand for goods and services and providing capital for investment.

This accelerates economic growth, spurring further investment and job creation. Consequently, higher tax revenues are generated, enabling governments to invest more in basic public goods and marketplace infrastructure. These investments increase a country's creative and productive potential, which, in turn, fuels greater economic growth and social progress.



Higher Social Mobility Increases Shared Prosperity

Social Mobility by Country vs Income Inequality



Sources: World Economic Forum (2020); World Bank (2020)
 Increasing social mobility correlates with decreasing income inequality.

* Refers to the movement in personal circumstances in relation to those of their parents, measured by five determinants – health, education, technology access, work opportunities, working conditions and fair wages, and social protection and inclusive institutions (World Economic Forum, 2020)

** Refers to the Gini Index as of the latest value available (World Bank, 2020).

The Transformation Ring

SOCIETAL TRUST

SOCIAL MOBILITY

CULTURE

Culture

National culture is an unseen driving force in a country's development, reflecting shared beliefs and customs. It plays a significant role in shaping the economy and society. Culture can accelerate economic progress or be a drag on development. Successful policy design and implementation incorporates an understanding of culture and employ tools such as stakeholder engagement, consultation, and communications to optimise outcomes.

What values define your national culture? What values should be promoted to foster greater economic growth and social harmony? How does political leadership engage with culture? Do they lead culture and set boundaries on societal behaviour based on a sense of national identity and values – or do they listen to culture and adapt policies and regulations to please the community or interest groups?

Weaving National Culture: Threads of Identity

National culture is a complex tapestry, woven from countless threads of shared experiences, values, traditions, and stories. It encapsulates a collective sense of identity, belonging, and heritage. Every nation has a distinct pattern that is reflective of its unique historical journey, societal evolution, and the constant interplay of continuity and change.

History & Heritage

Significant events, achievements, and challenges

Religion & Beliefs

Holy books, holidays, and moral law

Traditions & Rituals

Festivals, ceremonies, and customs



Values & Norms

Societal rules and standards

Language

The way people communicate, think, and interact with each other

Social Structure & Institutions

Political system and social classes

*National Development
Flywheel*

Good Policy Builds Shared Prosperity

The Cycle of Productivity, Wealth Distribution, and Social Mobility

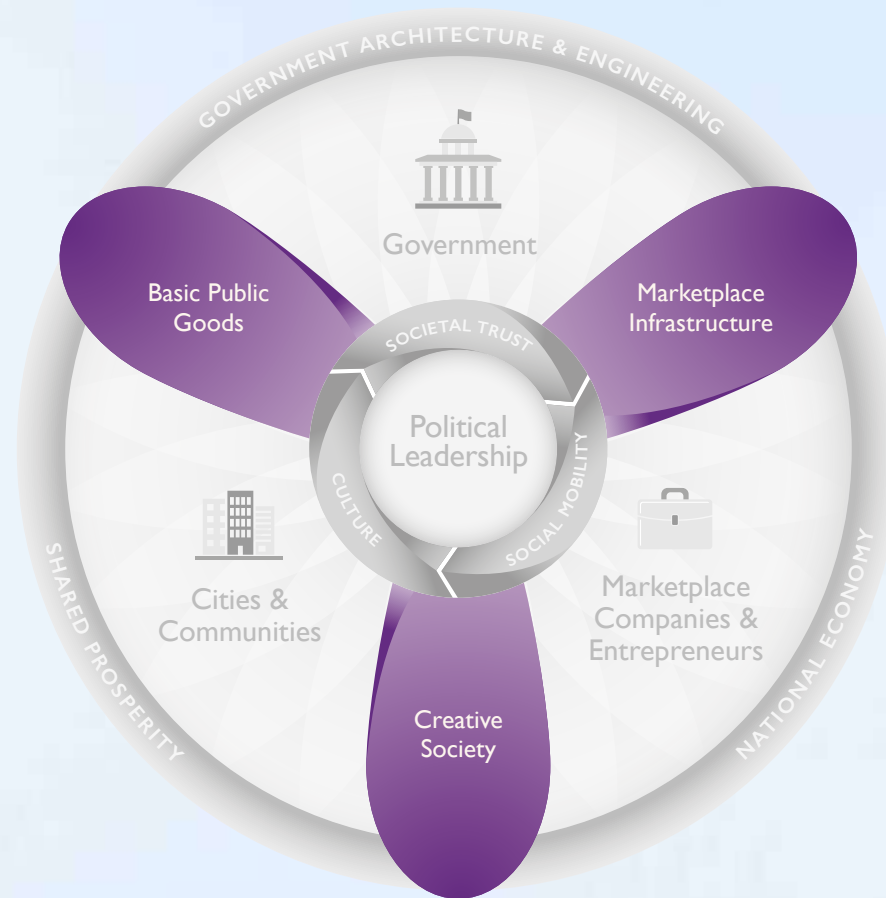
A FAIR SOCIETY

A country's economic strength and productivity hinges on the quality, scale and efficiency of its labour, capital, and marketplace infrastructure multiplied by its entrepreneurial creativity. However, the translation of this productivity into broad-based prosperity is contingent on wise government policy. A key indicator is the strength and vitality of the middle class.

A fair and meritocratic society will accelerate social mobility by ensuring all citizens have equal access to basic public goods, quality marketplace infrastructure, and career opportunities. Policies promoting marketplace competition, fair wages and equitable taxes foster shared prosperity. The government must be prudent financial managers, ensuring that expenditure on social safety nets, including welfare programmes, are wisely managed to avoid overburdening the national balance sheet – or create cultures of dependency. Self-reliance and individual responsibility are core values of strong and prosperous nations.



The National Development Flywheel has Three Blades



THE ROLE OF GOVERNMENT POLICIES

Government regulations and policies set the rules for the exchanges and expectations between societal actors – cities and communities, marketplace companies and entrepreneurs, and the government. These regulations and policies form the three blades of the national development flywheel. Personal taxes are paid in exchange for basic public goods, corporate taxes fund marketplace infrastructure, and the communities' talent and capital are exchanged for jobs, wealth, and productivity, powering the Creative Society. Each actor expects mutual benefits from these interactions, creating a cohesive system that fosters prosperity and societal development while meeting the expectations of all parties.

National Development Flywheel

BASIC PUBLIC GOODS

MARKETPLACE INFRASTRUCTURE

CREATIVE SOCIETY

1

Basic Public Goods

THE SOCIAL CONTRACT BETWEEN GOVERNMENT AND CITIZENS

Basic public goods are indispensable for creating healthy communities, building a capable workforce, and advancing social mobility and a strong middle class. Wise leaders and capable governments prioritise and enhance the quality of these public goods to ensure equal opportunities for all to thrive and advance in society.



Education



Affordable
Housing



Healthcare



Water &
Sanitation



Power



Security



Transportation &
Connectivity

Basic Public Goods

POLICY GOALS



Effective and Reliable Service Delivery

Ensures that the public receives necessary services consistently and reliably, and without interruption.

Efficiency, Cost and Affordability

Focuses on delivering these services at a cost that is sustainable for the government and affordable for the users.

Continuous Improvements and Reinvestment

Regularly improving the quality of these services and reinvesting in them to ensure long-term adaptation to changing needs.

National Development Flywheel

BASIC PUBLIC GOODS

MARKETPLACE INFRASTRUCTURE

CREATIVE SOCIETY

2

Marketplace Infrastructure

ESTABLISHING THE FOUNDATIONS FOR A PRODUCTIVE ECONOMY

The government is responsible for establishing a business culture and environment that attracts investment and encourages small business creation. Essential elements include a simple, consistent regulatory framework and a tax system that rewards innovation, productivity and risk-taking. A dynamic marketplace combines efficient public infrastructure, such as roads and airports, with free-market principles, investment incentives, access to capital, and enlightened trade policies. Additionally, the state can encourage private sector expansion and public-private partnerships. Legal frameworks must uphold property rights (including intellectual property), establish effective contract enforcement and dispute resolution mechanisms, set consumer protections, and define industry quality and safety standards. Concurrently, financial systems should support entrepreneurs and innovation by reducing bureaucratic hurdles, achieved through streamlining paperwork, digitalisation, and a unified system for permits.



Physical Infrastructure



Legal Infrastructure



Financial Infrastructure



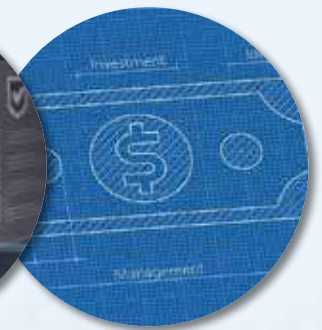
Free Market Economy



Incentives for Investment & Innovation



Slim, Simple & Consistent Regulations



Fiscal & Monetary Blueprint

Marketplace Infrastructure

POLICY GOALS



Attract Capital, Investment, and Talent

Capital and talent are mobile – they move from countries with poor governance to countries with good governance. Position the country as a preferred destination for financial and human capital by creating a business-friendly environment.

Establish a Comprehensive SME Ecosystem

SMEs serve as the backbone of local communities and the national economy providing goods, services, jobs, wealth, and paying taxes. Build physical, legal and financial infrastructure to support SME growth and country competitiveness.

Build a Vibrant Marketplace and Honest Business Culture

Trust is the oxygen of free markets, and the foundation of social stability and national unity. It is essential to attracting investment and conducting business. Laws, institutions, and conflict resolution mechanisms are all key elements of a national trust architecture which impact the marketplace.

National Development Flywheel

BASIC PUBLIC GOODS

MARKETPLACE INFRASTRUCTURE

CREATIVE SOCIETY

3

Creative Society

A CREATIVE SOCIETY IS A PROSPEROUS SOCIETY

From ancient Athens to Renaissance Florence to modern-day Silicon Valley, history teaches us that a creative society is a prosperous society. Policies aimed at maximising the creative potential in people and businesses fuel growth, resulting in high productivity, rewarding jobs, and increased consumption. Productivity is influenced by workforce skills, workplace regulations, and cultural attitudes to work. Focusing on high-growth sectors and strategic industries fosters national competitiveness and economic development. Embracing digital transformation stimulates entrepreneurship, while promoting social equity – encompassing gender equality, racial integration, and robust social safety nets. This strengthens the workforce. Effective city planning improves the cost and efficiency of goods and services, enhances public safety, and fosters community connections.



Business Productivity

Strategic Sector Development

Social Equity

Immigration Policies

Urban Development

Digital Infrastructure

Financial Inclusion

Creative Society

POLICY GOALS



Growth Model: Leadership in Strategic Industries

A strong economy is based on self-reliance and competitive strength in key industries. It is diversified between domestic consumption and exports. A national economic development plan targets building competitive advantage. It includes progressive foreign trade agreements and domestic economic policy which promotes competition and flexible labour markets.

Middle Class Strength

Support the growth of the middle class as they play a key role in both economic development and social stability. Strong nations are built on vibrant economies anchored in a culture that values and rewards a strong work ethic and entrepreneurial risk-taking. Vocational training, arts and technology institutes, and policies which encourage a vibrant business start-up community are helpful. Immigration policies should focus on attracting skilled professionals and entrepreneurs. Taxation policies should encourage savings, investment, and home ownership.

Flourishing Communities: Social Equity & Spirit of Inclusion

Trust is the foundation of strong nations, vibrant marketplaces, and healthy communities. Create a culture of integrity, inclusivity, unity, and shared prosperity by deploying policies that ensure the impartial application of just laws, promote social equity, and foster national identity. Remove systemic barriers to individual and community participation in national progress.

*National
Sustainability*

National Sustainability

BALANCE SHEET

RISK MANAGEMENT

TIMES AND SEASONS

How Strong is Your Nation?

BUILT TO LAST

Many national leaders upon assuming command they set sail without first surveying the strength and capabilities of the government. As a result, they quickly find themselves in crisis mode. Nations, like ships, depend on good architecture and engineering, as well as strong systems and wise navigation. Unfortunately the architecture and systems of many governments are compromised by flawed design and weak engineering. Frequently, a newly appointed captain takes over a highly indebted vessel with little fuel and an untrained crew.

Great leaders are generational planners with an architect's mindset. They understand that building a strong nation requires identifying competitive strengths and structural weaknesses within the context of an ever evolving macro landscape of economic, political and cultural challenges.

Assessing Sustainability

National Sustainability Balance Sheet



A COUNTRY SCORECARD

A National Sustainability Balance Sheet (NSBS) serves as a tool to gauge a nation's strength and sustainability, bridging both tangible and intangible assets. The NSBS is a holistic framework incorporating 8 core elements. Beyond mere numerical data, the NSBS provides insights into the social and cultural assets and value systems that underpin a nation. By consistently monitoring and updating this balance sheet, nations can strategically align their policies with sustainability objectives, ensuring long-term resilience, prosperity, and stability.

National Sustainability

BALANCE SHEET

RISK MANAGEMENT

TIMES AND SEASONS

Risk Management

Just as companies focus on building a strong and resilient business to withstand marketplace competition and weather economic crises, wise national leaders build strong civil services, resilient economies, and inclusive and healthy societies.

A holistic risk management framework will incorporate an understanding of a nation's strengths and weaknesses as well as exogenous threats and opportunities.

Risks and Resilience



Risk Mapping Framework & Process

Within the context of national governance, risks and resilience form an integral part of good stewardship. Risks are multidimensional and include economic, environmental, defence, cyber threats, corruption, and even cultural dilution. Wise leaders will create an intentional risk management process which periodically assesses risks and vulnerabilities, formulates mitigation and action plans, and assigns responsibility to ministries.

Resilience is About Strength and Adaptability

Strong nations require both well-architected foundations and flexible structures to be able to meet challenges and adapt to crises. This balance of structure and flexibility is anchored in institutional processes and organisation culture. A risk management framework and broad mindset are key. Examples include strength and diversity of the nation's business model, sovereign balance sheet vulnerabilities, interest rate cycles, trust capital (culture of integrity in government, marketplace, and society), assessment of regional political and security environment, trade environment, technology advancements, environmental resilience and so on.

Discerning the Times and Seasons

Successful leaders shape the destiny of their nations with a combination of wisdom and a sense of national vision and identity anchored in coherent and compelling national story. In acquiring wisdom, leaders are advised to study history, learning the lessons from the rise and fall nations. The chief reasons nations fall include overspending (leading to excessive debt, inflation and currency debasement), political disunity and social division, and wars (empire building). The lesson of history is that political leaders forget the lessons of history.

Executing a national vision is not simple or easy. The political leader manages policy change and institutional reform while at the same time navigating a constantly evolving world. The winds of change – in culture, marketplaces, technology, politics and regulation – present great opportunities and great risks. Political leaders need a revelation and understanding of these shifts and changes and a government which is capable of being agile and responsive to them.

“

Building a strong nation requires vision, architecture, engineering, persistence, courage and moral integrity.

Such a task is beyond the capabilities of any one individual – but the leader who can assemble a gifted and unified team can build a flourishing society with broad based prosperity creating better lives for all.

The Chandler Institute of Governance is a partner to these leaders, equipping them and their teams with the knowledge, tools and wisdom to succeed and set a benchmark for governance that defines the country for generations to come.

”



Richard F. Chandler
Founder

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CHANDLER

INSTITUTE OF GOVERNANCE

The Chandler Institute of Governance (CIG) is a global non-profit organisation headquartered in Singapore. Our purpose is to build strong nations through excellence in national governance. We support governments in developing leadership, institutions, and public service capabilities through training programmes, technical projects, and knowledge platforms. We operate independently, and have no political or commercial affiliations.

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Trust in Governance

