# CREATIVE ECONOMY AND HUMAN CAPITAL: THE KNOWLEDGE MANAGEMENT ISSUES

#### Grdzelishvili Nodar, Doctor of Economics

Affiliated Professor of New Higher Education Institute Tbilisi, Georgia

### Sulamanidze Dimitri, Master's Student

German University of Administrative Sciences Tbilisi State University Tbilisi, Georgia

DOI: https://doi.org/10.30525/978-9934-26-036-0-14

# WHAT IS ETHICS AND WHY IS IT IMPORTANT FOR PUBLIC ADMINISTRATION

What is ethics and why is it important? This is an issue which can cause a great deal of heated debates, there are more than three thousand ethnical groups in the world with different culture and traditions, ideology, lifestyle and because of this each of them has different definition of morality, ethics. Ethics and moral philosophy is a branch of philosophy that involves a recommending concepts of right and wrong conducts. Ethic is a philosophical science about moral. The word «ethics» firstly was mentioned by the Greek philosopher Aristotle, but in reality the question is when did ethics begin and how did it originate? I think that it is clear that ethics can only have come into existence when human beings started to reflect on the best way to live.

After a small historical review let's ask ourselves, what is the ethic? How can we use it in public administration? — Ethics is universal in the modern ages, even when government and society has absolutely different views about everything, they have same attitude about the ethics. Ethical principles and values are the main determines which action is right for a public servant and which one is wrong. The word «ethic» can be understood by the same meaning of moral,

these two words are the synonyms because generally they are the same, but origins of ethic can be found in ancient Greece and origins of moral in Rome. But mostly both of them define what is right and what is wrong, according to them people must take each decision on the principle of impartiality.

Nowadays ethics is one of the most important value for several professions such as politicians, lawyers, public servants, medicine, business, science, education, art and media. Accordingly, in a public service main purpose of ethical codes is to avoid corruption and indifference at the time of official duties. Generally, there are not the one structure of ethical codes in the whole world, this is the totality of specific attitudes of each nation, state or organization, all of them have different ethical codes so it is impossible to write one general content of what is the ethics, but according to an ethical documents of European and other countries we can talk about common conducts of ethics.

- 1) Everywhere people are talking about the development of ethics of public administration and it must be different from the private sector.
  - 2) The professional ethics is an indicator of strong state policy.
- 3) We are not better than the people working in the private sector but people are waiting for more from us.
- 4) We are the public servants, our obligation is to serve the governments and state with loyalty and respect the constitution.

# Organizational culture

Another important part of ethic is the organizational culture, nowadays the functions of different organizations and even in a government there are absolutely different types of ministries, they have different goals, accordingly it means that they have different stakeholders and clients to serve, so they are in need of different ethical codes which will be specially for them and not for anyone else. The functioning of government and economic fields depends on a good organizational structure and companies, so it's important and even vital to advance their service field and be it acceptable for everyone and every citizen not looking at their nationality and religion

or political views. Organizational culture is the totality of the history, experience and philosophy of this organization, which is expressed in its appearance. For example, in each company or organization you may meet the special dress code, you may think that this is nonsense, but down below I have given an example.

#### Standards of conduct

People act ethically because they have a morale and not because they have a fear of ministry or organization, if ethics is the social standards, values and moral responsibilities we live with, they request from us to have a free choice and desire to do anything.

## Political impartiality in a public service

To strengthen the political impartiality in a public service traditionally there are the sanctions to avoid the political activeness from a public servant, public service and servants serve to people, simple citizens and not the political party or something else, so it is important public service to be impartial the citizens to have a confidence of government. Impartiality means the neutrality, independence and balance. Political impartiality from a public servant means loyalty of government and successful leadership which helps the government to have a confidence in a public or private sector. Serving to public interest means to find the innovative ways to solve the problem. Public servants must feel the responsibility when they have relation with citizens.

# Uncontrolled expense of administrative resources

Unfortunately with existed law and regulations it is impossible to absolutely avoid the uncontrolled expense of administrative resources, especially at the time of elections, public servants have too many possibilities, «black holes» to cheat the government and expense the administrative resources, this is not famous for a simple citizens because these are the resources which are known only for public servants, so it becomes easier for public servants to do their dirty job illegal and not to leave any evidence.

#### **Nepotism**

Nepotism is a practice when the public servant gives some advantage to his relatives or friends especially at the time of searching

the job. Generally, nepotism is considered as the unethical action from the stakeholder or shareholder. The only verdict of not guilty during the nepotism is that you expect a loyalty from your relative or friend, but as far as I am concerned, it is wrong, people and especially the young generation, who are working hard for their future, must not be frustrated because of your expectations.

## **Ethics in Georgia**

Finally, we can discuss examples of Georgia, our country has a long history but it is too young on a state level, after a soviet invasion and liberation from this occupation Georgia started development of ethical standards. There were too many non-ethical actions in the public sector of Georgia, but step by step we improved the role of ethics in a public administration, there were a serious problem such a kind we discussed already, now we have regulated them with a law, for example we can say that we have practically new law on «public service of Georgia». In this law is already regulated the problems such as nepotism, the mechanism in a practice of protection the vital ethical codes such as no nepotism in public sector is the way of open competition on the position of public servant. Nowadays according to a Georgian code competitor must take part in several steps and must win in each of them to nominate on a position. Also there are regulated too many ethical principles such as the principle of loyalty, effective and economical working, principle of transparency, this principle minimizes the risks of nepotism and other ethical «crimes». Also Georgian law gives allow each organization or ministry to have its own ethical codes, which will be obligatory only for them. For example, parliament of Georgia has its ethic code, each ministry, there is an ethical code for attorneys.

Since 2014, the Civil Service Bureau has been conducting a training cycle on ethics and corruption prevention mechanisms. An e-learning platform has been developed to engage more public servants in the Ethics and Conscientiousness campaign and in raising awareness of ethics issues.

To raise awareness of ethics and improve communication, the Civil Service Bureau has developed: A Practical Guide and Guide to General Rules of Ethics and Conduct in Public Service. Comments on the Resolution of the Government of Georgia on the Definition of General Rules of Ethics and Conduct in Public Institutions. Informational communication materials — video clip, leaflets, calendar, etc.

An Ethics Forum has been set up with the support of the German International Cooperation (GIZ) Law Program, in order to establish a common approach to ethics in the public service and to improve the ethical environment in public institutions. It is held twice a year and is attended by representatives of internal audit and inspection units of central public institutions, as well as human resource management units.

Finally, I think that I have already discussed what is ethics and why is it important for public administration. Nowadays the role of ethics is already well known for the whole civilized world. Each country is trying to fulfill their ethical norms and strengthen their states by strengthen their degree of public sector.

#### **References:**

- 1. Law on «Public Service of Georgia». Webpage: www.matsne.gove.ge. 11th November, 2015 Art. 73-74.
- 2. "ეთიკა დაქცევის ზოგადი წესები საჯაროსამსახურში" 2005 წ. URL: http://csb.gov.ge/uploads/etika.pdf.
  - 3. "Ethics" Peter Singer. URL: https://www.utilitarian.net/singer/by/1985.htm.
  - 4. http://www.csb.gov.ge/media/1471/ethics-manual.pdf
- 5. ეთიკა და ქცევის ზოგადი წესები საჯარო სამსახურში. პრაქტიკული სახელმღვანელო. თბილისი 2017. URL: http://www.parliament.ge/ge/ajax/downloadFile/87159/%E1%83%94%E1%83%97%E1%83%98%E1%83%99%E1%8 3%90\_%E1%83%93%E1%83%90\_%E1%83%A5%E1%83%AA%E1%83%94%E1%83%95%E1%83%98%E1%83%A1\_%E1%83%96%E1%83%9D%E1%83%92%E1%83%90%E1%83%91%E1%83%98\_%E1%83%AC%E1%83%94%E1%83%A1%E1%83%91%E1%83%91%E1%83%90\_%E1%83%A1%E1%83%90%E1%83%AF%E1%83%90%E1%83%A0%E1%83%9D\_%E1%83%A1%E1%83%90%E1%83%9B%E1%83%A1%E1%83%90%E1%83%A
  - 6. https://matsne.gov.ge/ka/document/view/3645402?publication=0.
- 7. ეთიკა საჯარო სამსახურში. URL: https://www.gfsis.org/media/download/cbgl\_training/Ethics\_in\_CS%20-GEO.pdf.