

KAKISTOSCRYPTOCRACY AND CONTEMPORARY PUBLIC SECTOR INNOVATION MANAGEMENT IN POLITICS AND GOVERNMENT

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ABSTRACT

The aim of this research was to assess the connection between kakistoscriptocracy and the management of contemporary public sector innovation in politics and government. Documentary research methods were employed for the study. The results indicated that, in addressing kakistoscriptocracy, the public sector could utilize different forms of innovations, including service, administrative process, technological process, conceptual, policy, governance, systemic, and social innovations to safeguard sovereignty in the face of emerging digital threats.

Keywords: Kakistoscriptocracy, Public Sector Innovation Management, Politics, and Government

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INTRODUCTION

Kakistoscriptocracy, coined by Srirath Gohwong in 2023, as the illicit use of non-government-based cryptocurrencies (NGCs) by non-state entities in online platforms and metaverse realms, poses a multifaceted threat to Public Administration. 'Kakistoscriptocracy' presents a formidable threat to the viability of Public Administration, as it has the potential to erode governmental authority, disrupt public services, and diminish trust in governance. Non-state actors, including ordinary people, firms, political parties, and hedge funds, empowered by Kakistoscriptocracy, can wield substantial power independently of government oversight, thereby challenging the traditional role of Public Administration in maintaining law and order. The involvement of these actors in illicit activities, such as tax evasion and cybercrimes, compromises the stability and reliability of public services, impacting essential functions and the well-being of citizens. Furthermore, the unchecked influence of non-state actors contributes to a trust deficit in government institutions, as their lawless operations undermine citizens' confidence in the government's ability to regulate and protect their interests. The use of digital technologies and cryptocurrencies by Kakistoscriptocracy poses challenges to regulatory frameworks, hindering Public Administration's capacity to enforce laws, collect taxes, and ensure compliance, ultimately leading to a breakdown in established governance structures. Hence, the threat presented by 'Kakistoscriptocracy' highlights the vital significance of tackling specific four key aspects of 'Contemporary Public Sector Innovation Management in Politics and Government.' One key aspect lies in the need for adaptive governance in the face of technological challenges. As Kakistoscriptocracy exploits digital technologies and NGCs to operate beyond traditional regulatory frameworks, the strategic and systematic approach of contemporary public sector innovation management becomes indispensable. This approach equips governments to proactively adapt to and navigate the rapidly evolving technological landscapes, mitigating the risks associated with Kakistoscriptocracy. Another crucial element in this context is the enhancement of regulatory resilience. Kakistoscriptocracy challenges existing regulatory frameworks, demanding that Public Administration strengthen its regulatory capacities. The cultivation of a culture encouraging experimentation and the adoption of emerging technologies, as advocated in innovation management, empowers governments to develop and implement effective regulatory strategies. This proactive stance is essential to counter the illicit activities associated with Kakistoscriptocracy and maintain regulatory control. Moreover, the promotion of collaborative solutions emerges as a key strategy. Proposed measures, such as the appointment of tech ambassadors and the Corsair approach, emphasize the necessity for collaboration between legal non-state actors, governments, and IT professionals. Contemporary public sector innovation management fosters collaboration by embracing agile methodologies, user-centric design, and partnerships with external stakeholders. This collaborative approach is critical for developing and implementing effective strategies to confine the influence of illegal non-state actors and bolster the resilience of Public Administration. Last, in addressing the trust deficit caused by Kakistoscriptocracy, a shift towards citizen-centric governance is imperative. Contemporary public sector innovation management aims to create a more responsive, transparent, and citizen-centric government. Actively involving citizens and non-governmental entities in policymaking and problem-solving processes becomes a crucial step in rebuilding trust and demonstrating the government's commitment to protecting citizens' interests (Osborne & Brown, 2013; OECD, 2017, 2022; Gohwong, 2023a; Jermstittiparsert, Gohwong, Pavapanunkul, & Mahittichatkul, 2023). However, it is crucial to emphasize that the connection between kakistoscriptocracy and contemporary public sector innovation management in politics and government has not been investigated before. Thus, this study seeks to evaluate the correlation between kakistoscriptocracy and contemporary public sector innovation management in politics and government.

LITERATURE REVIEWS

Kakistocracy

"Kakistocracy," introduced by Srirath Gohwong in 2023, described a complex scenario where non-state actors, including entities like businesses, hedge funds, individuals, and net states, exerted significant power independently of governmental oversight. This phenomenon spanned both the actual and virtual worlds, primarily manifesting in the virtual realm. These non-state actors engaged in various unlawful activities, such as tax evasion, terrorism financing, and cybercrimes, leveraging digital technologies and NGOs to evade regulation. The framework of Kakistocracy comprised three areas: state-based, stateless-based, and net states-based, with intricate dynamics in both actual and virtual worlds. The state's sovereignty faced unprecedented challenges, leading to a weakening of its control, and non-state actors operated lawlessly, defining a regime termed "kakistocracy." Under this regime, non-state actors considered themselves godlike rulers of new worlds, operating beyond the state's power and utilizing NGOs for their gain without government control. These actors employed Inagaki's strategy of weeds, exploiting the virtual world to profit through tax evasion and other illicit activities. Simplification was achieved through various tools, and they strategically avoided confrontation with the state by employing both actual and virtual tools. They established territories in underground websites and metaverse, creating diversified value through numerous lawless businesses and applying starfish organization principles. In response to the catastrophic loss of state power, two proposed solutions involved tech ambassadors for diplomacy and the Corsair approach, utilizing piracy-based mechanisms to manage relationships with giant tech companies, including Microsoft, Amazon, Tesla, Facebook, and Google, as non-state actors and limit the influence of illegal entities through alliances with dark IT professionals (Gohwong, 2023a)."

Public sector innovation management in politics and government

In politics and government, public sector innovation management referred to a deliberate and systematic approach employed by governmental entities to foster and implement creative solutions in response to evolving challenges. This approach drew its foundational principles from New Public Management (NPM), development administration (DA), IT, and traditional Public Administration (PA). NPM had introduced market-oriented principles, emphasizing efficiency and performance in public administration, while development administration focused on achieving social and economic development goals. The integration of IT into PA transformed service delivery and citizen engagement. These elements collectively contributed to the evolution of contemporary public sector innovation management, where governments actively sought innovative solutions utilizing technology, managerial practices, and development strategies to address complex challenges and meet citizens' evolving needs. This entailed cultivating a culture that encouraged creativity, experimentation, and the adoption of new ideas and technologies to enhance public services, policy outcomes, and overall governance. In this context, innovation management encompassed various aspects, including leadership commitment, organizational culture, collaboration, data-driven decision-making, and the integration of emerging technologies. Going beyond traditional bureaucratic practices, it embraced agile methodologies, user-centric design, and collaborations with external stakeholders to improve government operations' effectiveness and efficiency. The primary objective of contemporary public sector innovation management was to adapt government processes, policies, and services to align with changing citizen needs and address complex societal issues. This involved leveraging technological advancements, promoting cross-agency collaboration, and actively involving citizens and non-governmental entities in policymaking and problem-solving processes. The study by Windrum (2008) and Cinar, Simms, Trott, and Demircioglu (2022) identified eight distinct types of innovations within the public sector, each with specific purposes. Firstly, Service Innovations (i) focused on delivering inventive services

to the public, whether by introducing new services to existing users or extending current services to new user groups. Administrative Process Innovations (ii) entailed the development of new methods and forms for organizational tasks, often tied to the restructuring of operational routines. Technological Process Innovations (iii) encompassed the integration of technology into operational activities, ranging from digital forms to automated decision-making through algorithms. Conceptual Innovations (iv) involved the creation of new perspectives challenging assumptions in service products, processes, and organizational structures. Policy Innovations (v) manifested in two distinct forms: incremental innovation, grounded in the ongoing learning and evolution of government policies, and radical innovation, triggered by conceptual innovations. Governance Innovations (vi) introduced new participation mechanisms for citizens, aiming to enhance transparency and accountability in the public sector, often aligned with a political inclination toward democratization. Systemic Innovations (vii) captured novel or improved interactions between organizations, knowledge bases, and public service entities, fostering collaboration with civil society and businesses. Finally, Social Innovations (viii), presented as a comprehensive and cross-sectoral concept, addressed the social needs of disadvantaged groups by targeting the root causes of social problems. In addition, according to Bekkers, Edelenbos, and Steijn (2011), the public administration's innovation challenge involves creating conditions for a knowledge-driven economy to thrive, such as reducing administrative burdens and promoting research and development. Next, it highlights the need for the public sector itself to become innovative in addressing societal challenges, forcing governments to reconsider governance strategies and internal organization. The passage emphasizes the interdependence of a competitive economy and an innovative public sector and notes the crisis of authority faced by governments due to societal transformations, rising expectations, and a growing alienation in the relationship between government and society. This, in turn, prompts governmental organizations to embark on an innovation journey to enhance their effectiveness and legitimacy (Pollitt, 1993; Thioune, Etta, & Wamahiu, 2003; Veenswijk, 2005; Bekkers, Duivenboden, & Thaens, 2006; Clarke et al., 2007; Windrum, 2008; Das, 2010; O'Leary, Van Slyke, & Kim, 2010; Rathod, 2010; Bekkers, Edelenbos, & Steijn, 2011, Osborne & Brown, 2013; Reddick & Anthopoulos, 2015; Shambaugh IV & Weinstein, Jr., 2016; OECD, 2017, 2022; Cinar, Simms, Trott, & Demircioglu, 2022; Demir, 2022).

RESEARCH METHODOLOGY

This study extensively utilized documentary research, gathering information and data from diverse sources such as books, academic papers, and online materials.

RESEARCH RESULTS

The emergence of Kakistoscriptocracy, as described in the study, poses a significant challenge to the sovereignty of states due to the influence of non-state actors in a parallel digital realm. To address this issue, the public sector can leverage various types of innovations, as identified in the previous session, including technological advancements, policy adaptations, transparent governance structures, and social initiatives to safeguard sovereignty in the face of emerging digital threats (Windrum, 2008; Cinar, Simms, Trott, & Demircioglu, 2022; Tanwar, 2022; Gohwong, 2019, 2021, 2023a, 2023b).

Let's explore how Kakistoscriptocracy relates to each of the eight innovation types:

Firstly, Service Innovations aim to provide innovative public services, but Kakistoscriptocracy poses challenges to traditional service delivery in the virtual world. To address this, solutions like government-based cryptocurrencies (GCs), central bank digital currency (CDBC), non-fungible tokens (NFTs), data governance in the public sector, a web 3.0-based metaverse in higher education, and a blockchain-based student registration system are proposed. These

innovations enhance public services through digital platforms, ensuring accessibility, security, and efficiency. Additionally, user-friendly interfaces for secure online citizen-government interactions are recommended.

Secondly, Administrative Process Innovations focus on developing new organizational methods to cope with the anarchic transactions described in Kakistoscriptocracy. Efficient and secure administrative processes using technologies such as blockchain (GCs/CDBC, NFTs), and data governance are proposed to ensure data integrity and streamlined workflows, reducing vulnerabilities to external manipulation.

Thirdly, Technological Process Innovations involve integrating technology, especially blockchain 2.0, decentralized autonomous organizations (DAOs) and decentralized applications (DApps), to safeguard digital transactions and data in both the public sector and Kakistoscriptocracy scenarios. Investments in cutting-edge technologies and advanced cybersecurity measures are suggested to protect against unauthorized access, ensuring the integrity of government operations. To address the issue of the illegal, unreported, and unregulated seafood industry in the realm of Kakistoscriptocracy, cutting-edge technologies, including DAOs, DApps, RFID, and QR codes, have been utilized. The integration of Proof-of-Work (PoW) and Proof-of-Stake (PoS) further enhances traceability and transparency in seafood supply chains.

Fourthly, Conceptual Innovations require challenging assumptions about sovereignty and the role of the state in response to Kakistoscriptocracy. The proposed solution involves fostering a culture of innovation within the public sector, encouraging officials to adapt their perspectives to the changing digital landscape, and promoting cross-disciplinary collaboration.

Fifthly, Policy Innovations advocate for incremental and radical changes based on policy learning and conceptual breakthroughs to address Kakistoscriptocracy challenges. Continuous adaptation of policies to evolving digital threats, establishment of regulatory frameworks, and promotion of policies to counteract Kakistoscriptocracy, including monitoring and regulating cryptocurrencies, are recommended. Examples from Thailand and Argentina demonstrate the use of legalization, new marketable goods (NFTs), output taxes, and regulatory bodies (Thai SEC/Argentine CNV) in response.

Sixthly, Governance Innovations are essential in redefining transparency, accountability, and citizen participation to counteract Kakistoscriptocracy challenges. Transparent and inclusive governance mechanisms in the digital space, the use of blockchain for transparent record-keeping, and citizen involvement in decision-making processes are suggested to reduce the influence of non-state actors.

Seventhly, Systemic Innovations are crucial to fostering collaboration between entities in both actual and virtual worlds in Kakistoscriptocracy. Strengthening collaboration between government entities, firms, and civil society through tech ambassadors and Corsairs is proposed. The development of interconnected systems that securely share information aims to enhance collective cybersecurity efforts and counteract anarchic transactions facilitated by Kakistoscriptocracy.

Lastly, Social Innovations are essential to address social needs, particularly in the face of Kakistoscriptocracy. Leveraging digital platforms through initiatives such as digital literacy programs, access to affordable technology, virtual job training, community engagement platforms, digital healthcare initiatives, financial inclusion, and educational equity platforms is recommended to bridge social gaps and ensure the inclusivity of digital services, countering any discriminatory effects of Kakistoscriptocracy.

DISCUSSION & CONCLUSION

The emergence of Kakistoscryptocracy, as highlighted in the study, presents a substantial threat to state sovereignty due to the influence of non-state actors operating in a parallel digital realm. To address this challenge, the public sector can employ various innovative strategies, drawing from technological advancements, policy adaptations, transparent governance structures, and social initiatives. These solutions, as identified in the study and associated research, encompass a range of innovations such as government-based cryptocurrencies (GCs), central bank digital currency (CDBC), non-fungible tokens (NFTs), data governance in the public sector, and tech ambassadors and Corsairs. By leveraging these innovations, the public sector aims to enhance traceability, transparency, and overall resilience against emerging digital threats. The proposed innovations span diverse domains, including service delivery, administrative processes, technological integration, conceptual shifts, policy adjustments, governance mechanisms, systemic collaborations, and social initiatives. The ultimate goal is to fortify state sovereignty in the face of Kakistoscryptocracy challenges, aligning with the principles of transparency, accountability, and inclusivity. The study emphasizes the importance of continuous adaptation and collaboration to navigate the complexities introduced by Kakistoscryptocracy, particularly in the evolving landscape of the metaverse and digital transactions. Nevertheless, despite the utilization of advanced technologies by non-state actors within the deep web and dark web, encompassing 96% of the world's total websites, along with the presence of NGCs and pirate organizations, the monitoring and control efforts of public sector agencies against the proliferation of kakistoscryptocracy remain constrained. Government-based solutions, including GCs, tech ambassadors, and the enactment of laws and regulations, are only in their nascent stages.

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