

The “Good Governance” Agenda and its Discontents

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Outline

- Defining Governance
- “Good Governance” and development
- “Good Governance”: key principles
- Have “Good Governance” programmes worked?
- “Good Governance” agenda: challenges and limitations
- “Good enough” governance?
- Key lessons and implications
- Challenges to donor uptake

Defining Governance

- Governance means more than just ‘government’
- It has to do with the nature of relations between state and society
- It is also process-oriented – how not just what is done

Defining Governance

Based on the above, governance can be understood as:

- The **rules that regulate the public realm** – the space where state as well as economic and societal actors interact to make decisions
- and the **processes and institutions, both formal and informal, through which public authority is exercised**

Defining Governance

Five key institutional arenas of governance include:

- Civil Society
- Political Society
- Executive
- Bureaucracy
- Economic society
- Judiciary

“Good Governance” and Development

- Term emerged in 1990s from growing concerns about governance
- “Good Governance” defined as essential to promote development, build capacity, and combat poverty (e.g. UN, Commission for Africa, DFID, World Bank, Commonwealth Secretariat, etc.)
- Concept of “good governance” is broad but there is agreement on several key principles

Good Governance: Key Principles

- **Participation and inclusiveness:** involvement and ownership by a broad range of stakeholders
- **Accountability:** decision-makers responsible for their actions; checks and balances in place; etc.
- **Respect for institutions and laws:** rules apply equally to everyone in society; corruption is controlled; etc.

Good Governance: Key Principles

- **Effectiveness:** government is effective and responsive, especially re key functions and delivering basic services; functioning regulatory framework is in place; etc.
- **Transparency:** clarity and openness of decision-making

Often 'good governance' also implies a **properly functioning democratic system**

Have “GG” interventions worked?

- Since the 1990s, substantial resources have been devoted to improve governance, including public sector reform and the way the central government works
- OECD governments spend over US\$10 billion a year on governance interventions
- Yet, results have been disappointing—e.g., anti-corruption commissions and civil service reforms.

“GG” agenda: some challenges and limitations

Three particular areas should be highlighted:

- Normative slant of the GG agenda
- Technocratic approach to development
- Excessively comprehensive and demanding agenda

“GG” agenda: Normative slant

- Overly idealistic and normative view of the political process
- Reliance on blueprints and best practices transplanted from the developed world despite mantra of “no one size fits all”
- Excessive reliance on standardised approaches focused almost exclusively on formal institutions.
- Fresh perspectives rooted in local realities have been lacking.

“GG” agenda: Normative slant

- Donors reward organisations and institutions that adopt “modern” or “best practice” forms only superficially.
- And they have shunned informal institutions and personalised relationships as governance problems, while recent research suggests they are not always so.

“GG” agenda: Technocratic approach

- Tendency to see development as a technocratic exercise.
- Implicit assumption that “all good things go together” without sufficiently recognising that politics matter.
- Lack of awareness of the political nature of reform processes: reforms entail changes in formal arrangements but more fundamentally are about changing informal behaviours and altering power relations.
- Changing the way governments work poses political risks: e.g., trade-offs between providing public goods and serving powerful vested interests.

“GG” agenda: Agenda overload

- The “GG” paradigm implies a very wide range of institutional preconditions for development.
- It calls for improvements that touch virtually all aspects of the public sector.
- But the long list may be beyond what is needed or feasible and is a-historic.
- Asking institutions to do too much too soon threatens to undermine longer-term capacity.
- There is little guidance about what is and what is not, what should come first and what should follow, etc.

“Good enough” governance?

- “GEG” is based on a more instrumental, selective, and pragmatic understanding of governance.
- The concept suggests that not all governance deficits can be tackled at once.
- “GEG” promotes governance reforms in a more realistic way *starting with where a particular country is.*

“Good enough” governance?

- The emphasis is on the *minimal* conditions of governance that are necessary to allow development:
- This implies that interventions need to be prioritized, made relevant to contextual realities, and assessed in light of historical evidence, sequence, and timing.
- However, “GEG” does not address question of whether there should be minimum standards, which may be a slippery slope.

Key lessons and implications

- Starting with the local context:
 - Develop solid understanding of domestic dynamics at work, and
 - Tailor interventions accordingly.
- Moving away from normative prescriptions encouraging multiple paths to institutional performance:
 - “Best fit” over “best practice”
- Recognising development as fundamentally political:
 - Be *realistic about what is feasible*
 - Focus on fostering enabling environment and influencing incentives

Key lessons and implications

- Focusing first on basic reforms and sequencing reforms accordingly:
 - Modest and selective entry points can have partial success and can lay the basis for later progress.
- Recognising long-term nature of promoting development.
- Sound political economy analysis may be a useful tool.

Challenges to donor uptake

- Donors have begun to grapple more seriously with the limitations of the GG agenda, take context as the starting point, and recognise the political nature of development.
- But there is still a big gap between rhetoric and practice.
- It has proven difficult for donors to absorb and act on lessons .
- Truly internalising these would require undertaking reforms to their own organisation, values, practices and behaviour, which is not easy.