

# **Governance and Good Governance: A Conceptual Perspective**

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## **Abstract**

*Good governance has been the subject of theoretical and pragmatic discourses during the last three decades. Recently the indeterminate terms "Governance" and Good governance are being gradually used, in the literature of political science, administrative sciences and development studies. It is being increasingly recognized that Good governance is legitimate, accountable and effective ways of obtaining and using public power and resources in the pursuit of widely-accepted social goals. Based on existing literature the study identified that good governance relates to political and institutional processes and outcomes that are deemed necessary to achieve the goals of Sustainable development. The purpose of this conceptual study is to explain, as simply as possible, the meaning of good governance and governance. By which criteria can it be measured? How is governance related to political participation and democracy? It then explores the relationship between the good governance, and sustainable development.*

**Keywords:** Good governance; Accountability; Rule of law; Transparency.

## **Introduction**

The concept governance is though not a new; it is as old as human civilization.<sup>1</sup> Generally speaking, the perception of governance has been in the human civilization since the time that the people learned how to live in one community or society through the process of making decisions and implementations of certain laws, rules and policies in order to live orderly and harmoniously in one environment. However, the term good governance has acquired prominence in the context of revitalization of democratic institutions (what may be termed as third wave of democracy); in order to ensure participatory democracy, human development and to attain the goals of globalization.<sup>2</sup> Early post-second world years, good governance was linked primarily to economic development.

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As such, in many instances the essential ingredients of good governance in the political context such as accountability, the rule of law, public participation, human rights and democratization were not addressed. The term was used mainly by aid givers when evaluating the performance of the third world countries seeking economic assistance. Until eighties, the focus remained on the economy because the World Bank was constrained by its articles of agreement not to take into account non-economic political considerations when responding to loan applications. In due course, non-economic factors, such as the environment, came to be taken into account when in its World Development Report, 1999; the Bank indicated a shift in its interpretation of good governance. It has been widely accepted now that the main reasons for human deprivation are not just economic. There are social and political factors too rooted in poor governance.

#### *Research Methodology/Literature Review*

The study is planned as a qualitative method and based on available literature review. Keeping in view the nature of research of the problem and question, the efforts have been made to collect material from diverse sources. Thus there is a combination of primary and secondary sources. Information has been collected and shifted from documents such as the International agencies organization, books, journals, speeches, statements and official declarations and communications. Interaction with other scholars by attending international seminars, conferences and workshops, has been very useful in developing clarity in thinking about various aspect of the topic.

#### *Significance of the Study*

On the basis of reviewed literature, this theoretical research paper is organized in four sections. First section deals with objectives, methodology and research problem of the study. Second section focuses on the brief but comprehensive back ground of research problem. The third section is an attempt has been made to highlight the significance of the good governance. A summary of findings would be discusses in the last section of the study. It may be made clear here that it does not provide an in depth analysis of various factors and forces. Instead, provides synoptic view of various issues and problems related to good governance. It is expected that the results of this work would not only facilitate the scholars and experts of politics and civil society activism but it would be also a

massive contribution for the students, and policymakers in the field of development studies.

### **Good Governance: A Conceptual Perspective**

The terms governance and good governance has been defined in many way but it lacks uniformity.<sup>3</sup> These definitions are based on normative assumptions about new decision should be made within organization and the functioning of formal and informal structure for implementing such decision. The Governance is complex and multi-faceted concept that is difficult to define in precise ways. There is still no clear-cut unanimity as to its meaning among them. Scholars have defined the term governance from different approaches However, simply speaking, governance *is* the process of decision making and the process by which decisions are implemented (or not implemented).<sup>4</sup> Tahir Naveed, defines governance as the management of resources, and organization of individuals and groups into formal and informal bodies and institutions and businesses, through social, political, administrative and economic mechanisms.<sup>5</sup> The World Bank sees governance in two related slightly different ways. Primarily the emphasis is on 'how political power is exercised to manage a nation's affairs'. In the second instance, World Bank defines the term in a broader sense. It sees governance as the "use of power in the management of a country's economic and social resources for development".<sup>6</sup> Human development report 2002 of United Nations has given a new perspective to governance by terming it as democratic governance; which is essential for better human development. The democratic governance encompasses the respecting people's human rights and freedom, say in decision making, which effect their lives and holding decisions makers accountable. It attempts at making the economic and social policies more responsive to the people's needs.<sup>7</sup> According to Etoungue Manguella:

*"Good governance implies presence of rule of law, safeguard of human rights, and existence of honest and efficient government, accountability, transparency, predictability and openness".<sup>8</sup>*

According to Michael Johnston, Good governance is:

*"A competent management of a country's resources and affairs in a manner that is open, transparent, accountable, equitable and responsive to people's needs."<sup>9</sup>*

For good governance, the presence of five variables is mandatory. These are: political freedom, constitutional and judicial protection

of individual rights, a stable currency, provision of education and health care for all, and the executive's accountability to a freely – elected legislature. The United Nations Development Programme (UNDP) defines good governance as a process encouraging “staff incentives, training of civil servants, administrative and fiscal decentralization and dialogue between governments and civil society”.<sup>10</sup> The UNDP has further underlined following main features of good governance:

- Political accountability and legitimacy;
- A free and fair judiciary
- Accountability of bureaucracy;
- Freedom of information and expression;
- Infective and efficient public sector management and co-operation with civil society organizations.<sup>11</sup>

The recent worldwide governance has articulated six indicators for promotion of good governance:

- Accountability and Transparency
- Free from violence and stability in political system
- Effectiveness of governmental policy
- Elimination of corruption
- Quality of governance
- Establish the rule of law.<sup>12</sup>

Dev Raj believed that decentralization of political and economic power is the core of good governance. The power should not be concentrated at the center but needs to be developed to the local institutions. It is assumed that decentralization will ensure democracy and development and both are preconditions to good governance. Thus, power within a political system characterizes good governance.<sup>13</sup> In more specific definition for good governance may be given by Preti, as that which,

*“Applies to the exercise of power in a variety of institutional contexts, the object of which is to direct, control, and regulate activities in the interests of people as citizen, voters and workers.”*<sup>14</sup>

Thus the governance in any society, aims to ensure transparency through the exercise of economic political and administrative authority. It basically strives to establish quality relationship between the rulers and the ruled. In shorts it can be said that here that the good is not a static concept. Good governance has to

work for the realization of popular aspirations. The aspirations have to be based on a sense of realism and dynamism. In more specific terms good governance may be defined as that which "applies to the exercise of power in a variety of institutional contexts, the object of which is to direct, control, and regulate activities in the interests of people as citizens, voters and workers. Hence, it can be said that good governance is that which fosters human development through popular participation and social and economic equalities. The ultimate objective of good governance has to be to create a civil society.<sup>15</sup>

### **Principles of Good Governance**

The following parameters of good governance have been identified on the basis of above definitions. The government should be participatory, consensus oriented, accountable, transparent, responsive, effective and efficient; as well as equitable and inclusive; at the same time, it follows the rule of law. More importantly, it gives assurance to its people that its governance would be free from corruption practices. In addition to that, the government should give priority to the views of minorities and listen to the voice of most vulnerable group of people in the society when it comes to decision making. See the box 1



*Democratization and Civil Society*

Democracy is an essential prerequisite of good governance. A democratic government may also face crisis of governability.<sup>16</sup> However, a democratic system is essential because that alone can promote the ethics of economic and political freedom and development for individuals increase the mass participation, which are features of good governance.<sup>17</sup> The good governance is a situation where there is a mutual trust between the state and the citizen. It has been said in this context that the only tenable normative aspiration, to modern politics can be to make states more trustworthy to all who must live under them: to make them more graceful and civilized in their dealings with their citizens and with one another.<sup>18</sup> Relatively, it is very essential to give emphasis on the democratic form of governance. The government must have participation from the citizenry; both men and women in the society should take part in various activities and organizations in the government sectors. The principle of equality is one of the most important constitutional principles upon which the contemporary system rests. This means that the principle of equality contained in the individual communities are equal in rights, responsibilities and public duties that will be enjoyed by all without discrimination of race, origin, or belief.<sup>19</sup> It is believed by some scholar – Nasir Islam and David. R. Morison – believed that human rights, civil society and democratization are essential components of good governance.<sup>20</sup> Mustafa Kamal has further been asserted by some scholars that the issue of building a civil society is central to good governance. It is believed that the civil society is indeed a driving force behind political and economic reforms which is a pre-condition towards good governance.<sup>21</sup> In fact, good governance has been considered as a hall mark of a civil society: a society which ensures a democratic political culture with accountability and popular participation in the developmental process. In the present times, the globalized market process induced by globalization and liberalization has laid a greater demand for civil society and human rights. It means empowerment of people, which is possible only through good governance.<sup>22</sup>

*Accountability*

Accountability is one of the cornerstones of good governance, which denotes responsibility of the government towards governed and also the mechanism through which people can exercise their

influence over the- government. The accountability is complex and multi-faceted concept that is difficult to define in precise terms. However, broadly speaking, accountability is the process via which a person or group can be held to account for their conduct. Normally, accountability is applied on political and civil executive (public officers) who are responsible before the citizens. They exercise their powers and functions in the name and interest of the peoples, In the case of political accountability, peoples hold their representative accountable through the election.<sup>23</sup>

Accountability can be categorized in terms of Horizontal, Vertical, social and political mechanisms. Horizontal accountability is a method or capacity towards structure accountability that relies on institutions such as legislature (parliament or congress) and the judiciary, or other autonomous institutions that can call into question, and ultimately punish to any public officer because of inappropriate ways of performing their assigned responsibilities. Horizontal accountability normally refers to internal mechanisms within government. It consist of formal relationship with in state and government itself .It focus on internal check and oversight process. For instant executive must explain their decision to legislature. In other words, horizontal accountability is the ability of state institutions or government to check the abuses by branches of government, public agencies or other public officers. Vertical accountability/Social Accountability usually link citizen and state through formal mechanisms, most obviously through local and national elections. In vertical forms of accountability through which citizens , media, Non-Governmental Organizations (NGOs) and Civil Society Groups (CSG) play directly or indirectly roles in holding the powerful to account. In short Accountability is one of the foundations of good governance. Both types of Accountability plays significant role to achieve the goal of good governance.

#### *Rule of Law*

It is widely political consensus that the rule of law is a necessary foundation for efforts to achieve the goal of good governance. Justice is valued as central in governance. Therefore, it values justice as most important for establishing a just society in which people from all walks of life, from different faiths can live in peace and harmony with no discrimination. Equally important, good governance requires fair legal structure that must be applied objectively in order to give full protection to the human rights of the people, most especially those minorities. And, to implement

this effectively, there must be unbiased implementation of laws that require independent judiciary and an impartial, as well as corrupt-free police force.

#### *Transparency*

Transparency is the provision, which makes it possible for the people to know about the' decision making process of the government. It is also one of the significant elements of the good governance.

Today, transparency or openness in governance is significant in the process of development. The government must have complete transparency with all its decision makings; as well as with its implementations of laws and policies that should be aligned to the rules and regulations of good governance. Additionally, all information must be easily accessible and understandable by the media as well as by the ordinary citizens. By doing this, disseminating important information about the activities and real status of the government would be easily monitored and understood by the entire citizenry.

#### *Meritocracy and Absence of Corruption*

Government is the most vital actor of good governance. It is necessary for the survival for every state that government official should be appointed on merit. Similarly, a system of strict accountability should be in place to monitor their performance so that they stay on the right track and do not deviate from their main role as specified by the constitution of the state. Corruption has unfortunately almost become the norm today. Its dimensions include, among others, the inflation of contracts in return for kick-backs, frauds and falsification of accounts in the public service, and the taking of bribes and perversion of justice and fairness at various levels. Needless to say, corruption creates a grave obstacle in the way of good governance.

#### *Consensus Oriented*

Society consists of various stake holders. It is required for good governance to mediate among these different interest base stake holders in case of conflict of interest. It is responsibility of government to make consensus oriented decision making. Today, 'governance' signifies a transformation from a type of relationship where a limited group of people have the ultimate authority to rule others to a set of relationships where mutual interaction takes place in order to make desirable choices for all stakeholders. It involves



the mechanism, processes and institutions that individuals, corporations, groups and societies utilize in joint decision-making and implementation among social actors as well as in solving conflicts.<sup>24</sup>

#### *Effectiveness and Efficiency*

Good governance means that processes and institutions produce results that meet the needs of society while making the best use of resources at their disposal. The concept of efficiency in the context of good governance also covers the sustainable use of natural resources and the protection of the environment.<sup>25</sup> Decision maker should have a broad and long term vision on how to better the process of governance to ensure continued economic and social development. Process must be in place to ensure the most productive use of resource.<sup>26</sup>

#### *Equity and Inclusiveness*

Good governance involves guarantee the right of all individual to opportunities to improve or maintain their well-being in an equitable and inclusive manner. This last point perhaps the most important principle of Good governance because it require that all decisions of an organization be made within frame work that is outward looking and future – oriented.

#### **Why is Good Governance Important?**

Good governance is about the processes for making and implementing decisions. It's not about making 'correct' decisions, but about the best possible process for making those decisions. It is in this context, the study of good governance has become very important in the literature of political science, Administrative Sciences and development studies. Good governance is important for several benefits. First and foremost, quality of governance has to be judged by the performance of the relevant institution. Therefore, the goal of the institution has to be clearly defined as a matter of priority. Then, steering towards that goal requires defining decision rights and processes, as well as establishing a feedback loop to verify and control performance. Governance is how an institution is ruled; it is how the authority, responsibility, and controls are required in the institution. Governance is relevant to any institution, small or large; for profit or not; extending from a single family all the way to global institutions that have an impact on our lives. Hence, governance is relevant for humanity for quality of life now and for its sustainability in the future. It

commonly acknowledged that in the absence of democracy, peace and good governance, sustainable socio economic progress is not possible.

In the context of developing societies there has been an added emphasis on human development in recent years. It means development of human capabilities and opportunities. The good governance is a prerequisite for human development and governance which would ensure human development is human governance. It has been widely accepted now that the main reasons for human deprivation are not just economic. There are social and political factors too rooted in poor governance. It is thus clear that the issue of good governance focuses on the inseparable linkages between social-economic and political development.<sup>27</sup> It has rightly been pointed out that the good governance means political pluralism with free and fair elections, It means far pending on military preparation and infrastructure and war and much more on education, health and basic amenities. It means fighting the graft and nepotism. This also suggests that good governance has to concentrate more on building a congenial political atmosphere for social and economic development. The good governance has also to ensure that the funds of the state are utilized on the development of human and productive areas instead of non-human and non-productive areas.<sup>28</sup>

In short, governance is about performance. Thus the governance in any society, aims to ensure transparency through the exercise of economic political and administrative authority. It basically strives to establish quality relationship between the rulers and the ruled. In the context, governance point out to the nature of mutual interaction among social actors as well as between social actors and public administration, and it contains the meaning the meaning of 'ruling together' with aim of helping individuals realize their potential for improving the quality of their lives.

### **Conclusion**

The term 'good governance' is a multi-dimensional which occupies a central stage in the development discourse. It is considered as the crucial element to be incorporated in the development strategy. However, the development experts in recent years have emphasized 'good governance' as a prerequisite for development. It is clear from the above discussion that good governance mean the art of government, in which all public decisions and other affairs are dealt transparency and the government official are made responsible and appointed on merit,

and the gap between the government and people is bridged. All these aspects of good governance are complimentary to each other. Scholars and experts have also paid attention to the way of achieving good governance. Scholars tend to link good governance with a democratic polity. Governance becomes good when the decisions and actions of the government are based on peoples' consent, legitimacy and accountability. Good governance has got the great importance in every state as the problem of corruption, red-tapism and in-efficiency has gradually crept into administrative structure of the country and the development has stood still and the gap between rulers and ruled has widened. The lack of understanding between them has always stood in the way of building a system that espouses the elements of accountability, transparency, and responsiveness. The paper can be concluding that good governance is that which fosters human development through popular participation and social and economic equalities. The ultimate objective of good governance has to be to create a civil society. It may also be pointed out here that the good is not a static concept. Good governance has to work for the realization of popular aspirations. The aspirations have to be based on a sense of realism and dynamism. Today, good governance not only occupies central place in the development discourse but is also considered as a crucial elements in building the nation.

## Notes & References

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