CHAPTER IV
GOOD GOVERNANCE EXPERIENCES

Traditionally, governance refers to the forms of political system and the manner in which power is exercised in utilizing country’s economic and social resources for development. Governance is the process whereby public institutions conduct public affairs, manage public resources and guarantee the realization of human rights. Good governance accomplishes this in a manner essentially free of abuse and corruption, and with due regard for the rule of law. The true test of "good" governance is the degree to which it delivers on the promise of human rights: civil, cultural, economic, political and social rights. The key question is: are the institutions of governance effectively guaranteeing the right to health, adequate housing, sufficient food, quality education, fair justice and personal security? The term "governance" is fairly new in the World Bank's lexicon and certainly has only recently started receiving the level of attention that it now gets. It should be noted that the World Bank has not deviated from its focus on economic development as stated in its Articles of Agreement, however, it has become increasingly clear that good governance is positively correlated with, among other positive indicators, higher investment and growth. A survey in the 1997 World Development Report (WDR) showed that countries with good governance, on average, had over twice the share of investments in GDP and enjoyed an income per capita growth rate nearly three times that of countries scoring low on good governance indicators. Not surprisingly, good governance also improves development outcomes with

2 See World Bank site at www.worldbank.org for the Bank's "Articles of Agreement"
good governance strongly and positively linked with significantly superior showings on everything from infant mortality to literacy rates\(^3\). In this context, it is also important to properly define the role of the state – especially given our focus on public sector effectiveness.

Government is one of the actors in governance. Difference between the term government and governance as elucidated by R.N. Prasad is, “the term ‘governance’ has wider meaning than that of the term ‘government.’\(^4\) The World Bank’s experience in development demonstrates that private initiative and market-driven policies are key to economic development and sustained economic growth. Equally clear is that the state is a critical complement to markets – markets do not function well without effective governments and governments that do not work well with markets are doomed to be ineffective.\(^5\) In short, governments will need to be as efficient and effective as private firms if they are to serve as facilitators rather than bottlenecks to economic and social development – especially so in a globalizing and highly competitive world economy. So the concept of governance transcends beyond the state to incorporate within itself, civil society organizations. The concept of good governance has been clarified by the work of the Commission on Human Rights. In its resolution 2000/64 the Commission identified the key attributes of good governance as:

a) Transparency;
b) Responsibility;
c) Accountability;
d) Participation ;
e) Responsiveness (to the needs of the people);

It linked good governance to an enabling environment conducive to the enjoyment of human rights and "prompting growth and sustainable human development." In underscoring the importance of development cooperation for securing good governance in countries in need of external support, the resolution recognized the value of partnership approaches to development cooperation and the inappropriateness of prescriptive approaches. Explaining the growing importance of the notion of good governance, T.K. Oommen remarks, "This has become a buzz word in contemporary lexicon, indeed, it is a ruling idea." The concept of 'good governance' was coined by Third World countries and entered into the vocabulary of public administration since the 1990s, mainly due to the development aid to the Third World countries by the western countries in post cold war era.

By linking good governance to sustainable human development, emphasizing principles such as accountability, participation and the enjoyment of human rights, and rejecting prescriptive approaches to development assistance, the resolution stands as an implicit endorsement of the rights-based approach to development.

The Commission also requested the High Commissioner to invite States to provide practical examples of activities that have been effective in promoting good governance, including through development cooperation. Their input is to be included in a compilation of indicative ideas and practices.

The World Bank, in one of its documents in 1989, highlighted the concept of good governance in Sub-Saharan African context. The World Bank identified three dimensions of good governance:

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1. Public sector management;
2. Legal framework for development, and
3. Information and transparency.

Later in 1992, the World Bank’s document entitled “Governance and Development” said, “Good governance is central to creating and sustaining an environment, which fosters strong and equitable development and it is an essential complement to sound economic policies. The three aspects of governance enumerated in it are:

a. The form of polity and the way authority is exercised in society (parliamentary and presidential, military or civilian and authoritarian or democratic).

b. The process by which authority is exercised in the country’s economic, political and social spheres and the extent to which the citizens are involved and given responsibility.

c. The capacity of governments to coercive, formulate, and execute policies in general, to discharge governmental functions, as effectively, adequately and efficiently as possible.

In context of good governance, Yves R. Simon, says “the common good refers to a comprehensive set of goods in which the entire civil society participates.” The foundations of good governance according to Hindu scriptures requires one to protect and sustain the common good, and the requisite duties and conduct of public officials.

The UN Secretary-General in his Millennium Report, emphasized that better governance means greater participation, coupled with accountability.

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Therefore, the international public domain – including the United Nations – must be opened up further to the participation of the many actors whose contributions are essential to managing the path of globalization … For the United Nations, success in meeting the challenges of globalization ultimately comes down to meeting the needs of peoples. It is in their name that the Charter was written; realizing their aspirations remains our vision for the twenty-first century."

In the Millennium Declaration, adopted by consensus, the States Members of the United Nations resolved to create an environment – at the national and global levels alike – that is conducive to development and the elimination of poverty. They stated that meeting this objective "depends, inter alia, on good governance within each country. It also depends on good governance at the international level and on transparency in the financial, monetary and trading systems." Good governance is associated with efficient and effective administration in a democratic framework.

**Good governance at the international level**

International human rights standards also entail responsibilities for good governance at the international level. Examples include Commission on Human Rights, which is to be read together with the legal obligations of international cooperation contained in:

1. the Charter of the United Nations (arts. 1(3), 55, 56)
2. the International Covenant on Civil and Political Rights (art. 1(2))

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9 [http://www.unhchr.ch/development/governance-01.html](http://www.unhchr.ch/development/governance-01.html)

3. the International Covenant on Economic, Social and Cultural Rights (art. 1(2))
4. the Convention on the Rights of the Child (art. 4)
5. the Universal Declaration of Human Rights
6. the Declaration on the Right to Development
7. the Vienna Declaration

In a globalizing world, national and international governance are inextricably linked. International institutions of governance will be in a better position to respond to the needs of the developing world once national institutions meet the test of good governance. The demands of governments in the international arena are only legitimate to the extent that they reflect the will of the people.

Similarly, national institutions will be able to respond more effectively to the will of the people where there are international institutions based on principles of good governance. At the national level this necessarily implies transparent, responsible, accountable, participatory and responsive governance, which is respectful of the rule of law and the protection of human rights. At the international level, transparency, equity, fairness and international cooperation are equally necessary. Good governance is not simply something that government can achieve or do by itself. Good governance depends on the cooperation and an involvement of a large number of citizens and organizations. These requirements are considered not only essential for good governance but are also important for sustainable human development. ¹¹

Good governance at the National level

There is a wealth of United Nations human rights standards of direct relevance and applicability to questions of good governance. The International Covenant on Civil and Political Rights requires its 148 States parties "to respect and to ensure ... the rights recognized" in the Covenant and "to take the necessary steps ... to give effect to the rights". State parties are required, among other things, to ensure that an effective remedy for violations is available; to provide for determination of claims by competent judicial, administrative or legislative authorities; and to enforce remedies when granted (art. 2).

Similarly, in ratifying the International Covenant on Economic, Social and Cultural Rights, 143 States have undertaken "to take steps ... with a view to achieving progressively the full realization of the rights recognized ... by all appropriate means" (Art. 2).

The Declaration on the Right to Development further clarifies the nature of these obligations, setting forth important objectives for governance. It mandates States "to formulate appropriate national development policies that aim at the constant improvement of the well-being of the entire population and of all individuals, on the basis of their active, free and meaningful participation in development and in the fair distribution of the benefits resulting therefrom".

States are expected to "undertake, at the national level, all necessary measures for the realization of the right to development" and to "ensure, inter alia, equality of opportunity for all in their access to basic resources, education, health services, food, housing, employment and the fair distribution of income."
"Effective measures" are to be undertaken to ensure that women have an active role in the development process, and "appropriate economic and social reforms" are to be carried out with a view to eradicating all social injustices. In sum, the Declaration requires States to take steps "to ensure the full exercise and progressive enhancement of the right to development, including the formulation, adoption and implementation of policy, legislative and other measures at the national and international levels."12

In September 2000, the UN Consultative Committee on Programme and Operational Questions (CCPOQ) approved, on behalf of the Administrative Committee on Coordination (ACC), the ACC Matrix of Governance, setting out policy measures, core elements and areas of programmatic collaboration for the United Nations system.

The policy measures are democracy and participation, equity, environmental protection and management, human rights, the rule of law, public administration and service delivery, transparency and accountability, security, peace-building and conflict management, informed citizenry, and electronic governance (e-governance). As argued by Henry Mintzberg, attacks on government are attacks on the fabric of society. If the collective needs of the people are allowed to be undermined, society itself will be destroyed. Private goods are necessary, no doubt but they are worthless without public goods—such as policing and economic policies—to protect them.13

12 http://www.unhchr.ch/development/governance-02.html
The core elements and areas of programmatic collaboration draw on human rights concepts such as participation, accountability, non-discrimination, empowerment and express-linkage to human rights.¹⁴

This is clearly shown once again in several developed countries which have been advocated as a model for emulation in corporate regulation and governance, including the protection of minority shareholders. Nevertheless, a spate of massive corporate disasters in those regulatory bastions, due largely to bad governance, has created in their wake a substantial adverse impact on financial and business confidence, and on human welfare itself. A common concern in the current atmosphere is the restoration of trust which, itself, implies the existence of shared values and accepted standards, compliance with the set rules of the game, and full disclosure of transparent information.

The 1997-98 crisis has renewed focus on public and corporate governance. Two perspectives are at stake in this context are:

First, the absence of good governance has been perceived as a major cause of the crisis, and

Secondly, the prognosis is drawn by inference, namely, that good governance is imperative for durable development. Since July 1997, numerous writings have appeared and meetings have been convened with a focus on the excesses as well as the blemishes in public and corporate governance in this part of the developing world. In the process, a litany of recommendations of varying degrees of ingeniousness has been advanced for the post-crisis adjustment and reform of policies and institutions and for the revamped process of monitoring and enforcement.

¹⁴ http://www.unhchr.ch/development/governance-04.html#assist
There should, indeed, be few excuses for the revealed imperfections and inadequacies in governance whether or not they are embodied as “corruption, cronyism and nepotism”. Vivek Chopra defines good governance as unambiguously identifying the basic values of society and pursuing these. However, the prevalence of preventive rules and prudential regulations is not sufficient, in itself, to raise the standards of governance and/or to ensure good governance in the public and private sectors.

Basically, good governance is predicated on full accountability to stakeholders (e.g., workers, shareholders, persons on fixed income, various social segments or strata and so on) in the exercise of mandated activities and functions by all concerned, whether they be central or local Government, managers of State and business enterprises, or civic and civil society organizations. It thus implies an informed, pluralistic and involved society but with shared basic norms, standards and aspirations. As such, good governance is clearly not without context; nor is it value-neutral. “Local contents”, colors and nuances matter. However, there are in practice few, if any, cost-free short cuts and ready answers to sustaining good governance, which, in the absence of optimal solutions, embodies a process of trial and error and a choice among trade-offs. Nor are there precise and uniform prescriptions or magic bullets in fostering economic development, social citizenship, political socialization and changed mindsets.

Furthermore, standards of governance do not necessarily rise simply because of outside intervention, whether or not such intervention is delivered with judicious tact and sensitivity, or accompanied by generous measures of material goodwill.

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15 Kashyap, Subhash, C 1997 (ed) Crime, Corruption and Good Governance, Uppal Publications New Delhi, p 113
Characteristically, good governance requires the equitable participation of all stakeholders in the design and formulation of policies and institutions that affect them, or at least a majority of them at any given time. In addition, there has to be a fair attribution to all stakeholders of the fruits as well as the burdens and mistakes of development. Moreover, good governance is predictable: there exists equal protection, plus non-discriminate and non-retroactive treatment, for all in the enforcement of laws and the application of regulations. Transparency is essential, too. Full disclosure of information is a sine qua non for confident interactions between individuals or groups. It is also a prerequisite for an objective, systematic and timely assessment of public or private governance and its stated outcomes. Indispensable in all these regards is strict observance and enforcement of common norms and recognized benchmarks. Pai Panandiker sees good governance as it pertains to a nation state which handles its people to lead a peaceful, orderly, reasonable, prosperous, participatory lives.\textsuperscript{16}

In the contemporary times, it is the role and responsibility of the Government to seize the available (IT). Put down rules, regulations and standards. And lay down the Electronic Government Framework for the sake of improving Government services. Thus increasing the society's benefit and prosperity.\textsuperscript{17}

The e-organization vision has been adopted by Kuwait Institute for Scientific Research (KISR) since the early 1980's. As part of KISR Information Technology (IT) strategies, KISR has been developing business application systems to serve its business functions. Therefore, the ultimate goal of e-KISR is to extend boundaries of information exchange for business

\textsuperscript{16}Sengupta, Bhabani 1996 \textit{India The Problem of Governance}. Konark Delhi, p vii
\textsuperscript{17}http://www.e.gov.kw/Default.aspx?pageld=156
functions. This is being done by facilitating transactions electronically on local, national, and international levels through one gateway e-Government.

In order to achieve its goal, KISR has been maintaining a proper computing and communication infrastructure. It includes network enhancement and computer trends, all supported by the implementation of an organizational security strategy serving larger communities.

Organizing an e-enabling community is an evolutionary process where business culture needs to adapt to the capabilities of IT in serving its needs. This process started gradually in the 1990’s where client/server technology was developed to further serve more business needs. The advent of the Internet required new technologies to adapt to new IT standards. Furthermore, the web technology enabled systems' developers to introduce information systems that reached user's community with less maintenance requirements. All KISR business applications data are hosted within an integrated relational database environment which developed web services.

As the Internet was first introduced to Kuwait and Kuwait Institute for Scientific Research (KISR) in the early 1990’s, the National Scientific and Technical Information Center (NSTIC) at KISR started preparation for utilization of the Web technology to build business applications that can expose KISR’s services and liberate information to broader audience inside and outside KISR. The need for automation and integration of business procedures was well thought about by KISR top management and specifically NSTIC, before the introduction of the internet.

KISR can be one of the leading model organizations in Kuwait in applying the e-organization vision, which falls into the Kuwait e-Government strategy. e-KISR model consists of KISR intranet (KISR portal)
and KISR internet site, which have the following objectives and functionalities:

1. Offer current services and resources electronically to KISR employees.
3. Serve as marketing tool and a link with KISR clients.
4. Provide services to the Public related to e-Government role.

KISR believes that the process of an organization e-enabling is an evolutionary endeavor, whereby business culture needs to adapt to the capabilities of information technology in serving its needs. Business applications went through many phases during this evolutionary process within KISR. In the 1990’s, KISR started a new era of development in KISR utilizing client/server technology to further serve more business needs. As technology advanced, business needs had to utilize these changes to enhance business performance within KISR.

KISR started gradually adapting to new information technology standards that accompanied the internet evolution. The web technology enabled systems developers to develop and maintain information systems that reach a broader users community with less maintenance requirements.

Here are some of the milestones occurred during the past 20 years at the information services activities:

1. Introducing the first full electronic online bilingual public catalog (OPAC) which replaced our card catalog (early 1980’s).
2. Introducing the first electronic searchable bibliographic database (CD-ROM) to replace some of the printed indexes and abstracts (late 1980’s).
3. Connecting access to our catalog through KISR LAN. (early 1990’s).
4. Introducing the Internet and using e-mail as a fastest means of communication with users and providing results of information services. (Mid 1990’s).
5. Providing access to a collection of CD-ROM databases through KISR LAN
6. Issuing the first full fledged electronic bulletin at KISR, the ISB (first issue in 1998).
7. Launching NSTIC information services portal (Summer 2003).

After the liberation of Kuwait from the Iraqi occupation, KISR, in an effort expand to process of governance provided a quick computing facilities to its users and established 4 local area networks (LANs) using Novell operating systems as its network operating systems (OS) and 10BaseT Ethernet technology as the network environment. In 1992, KISR expanded its existing LAN environment to a massive organization-wide network by establishing 22 10BaseT Ethernet LANs and one Token Ring LAN, distributed over its Shuwaikh, Salmiya, and Doha campuses; which later included Ahmadi and Sulaibiyah. The connectivity infrastructure varied between Copper and optical fiber cables facilitating Unshielded Twisted Pair (UTP) and coaxial cables. The number of connected users during the years, reached to almost 1400 from the original 350 users. KISR is adopting an enterprise-wide approach towards developing a Knowledge Management System involving the integration of Scientific Research and administrative business models in one unified e-model.

In context of financial governance, the Central Bank of Kuwait (Cebk) plays a unique role among the banking and financial sector in Kuwait. It is responsible for currency issuing and money stability, as well as
setting the monetary policy and directing credit for the service of different economic sectors. In addition, it supervises the banking sector and acts as a banker for government agencies. This requires the Cebk to operate with utmost precision and swift decision making.

Therefore, the Cebk has adopted the use of technology in conducting its operations since the early eighties. The bank’s application systems cover most of its internal operations (administrative and research) as well as the external ones (banking and supervision). The local banks communicate with the Cebk through dedicate leased lines.

Through the continuous evaluation of its operations and in order to benefit from the recent advancements in Internet technologies, the Cebk has declared its future vision for information as “effective information management at the Central Bank of Kuwait”. It is manifested through:

1. Cebk’s services and information are to be easily accessible to its relevant employees and customers regardless of their physical location in a highly secure, efficient and robust environment.
2. Automated business processes will allow nearly instantaneous response to users’ requests.
3. Processes are optimized for efficiency, correctness, and responsiveness.
4. Implementation of an improved information base for decision making at all levels.

And in order to achieve this vision, change must take place along two major lines: First: Process Re-engineering; Second: Advanced Information Technology Solutions. An I.T. strategy had to be developed and put into action to achieve these solutions and therefore, the future vision for
information at Cebk. This was based on: Enhance the I.T. infrastructure with regard to:

1. Communication to guarantee quick access to information
2. Database infrastructure based on open standards for easy and automated retrieval of information.
3. Security infrastructure to guard against external and internal risks with continuous audit mechanisms.
4. Enhance I.T. Management with regard to:
   i) Providing technical leadership with I.T. vision at all levels.
   ii) Adopt standard policies and measures in conducting its operations. (e.g. project management, documentation, etc.)
   iii) Re-structure to achieve a dynamic I.T. organization capable of providing good quality services.
   iv) Enhance the I.T. human resources skills through: training, recruitment, and introducing new job titles.

The efforts that the Cebk has put come in line with the Kuwaiti government initiative towards achieving e-government. It constitutes a strong base that can be easily built upon. Considering the nature of Cebk’s operation the models that can be fit are:

a. G-to-B (i.e. between Cebk and the banking and financial sector).

b. G-to-G (i.e. between Cebk and the government agencies).

The new system is interfaced to the existing Cebk’s accounting systems through the use of middleware software to exchange messages.

This application can also incorporate government agencies, therefore fitting the G-to-G model. These government agencies must be ready administratively, legally and technically. Currently the central bank executes
over 1200 payment orders daily that are received as official letters. The Cebk debits the government agency account and credits the beneficiary account through its local bank. Therefore, once this system is applied, the payment can be executed by the government agency directly enabling them to view their account as is the case with the local banks (e-banking). A worldwide revolution in information and communication technologies has occurred in recent years. It is changing lives in Kuwait and is affecting the way people work, learn and interact. The central bank of Kuwait (Cebk), although a government institution, does not deal with citizens. Its clients are government agencies and private financial institutions. The central bank of Kuwait has used to be “e” ready and demonstrates a service of high importance as an example of implementation.

In context of the business chambers, Kuwait governance experience show that there is a shift towards e-chamber for better services at Kuwait chamber of commerce & industry. In 1992, future perspective-based studies were conducted about the needs of departments and simplification of procedures for its members. This was the beginning of the road to develop its services, and this development still continues adopting the same perspective and spirit. Today Kuwait Chamber provides its staff with a unified cognitive system associated with all systems currently adopted by Chamber, whose number reaches -upto the date of preparing twenty five systems.

This section focuses on the importance of e-chamber system for the prospective link to other government bodies and the potentials that this system will provide for the Chamber’s staff in achieving their duties from any place around the world using the Internet. For example, it will enable the employee to:
1. Follow up daily mail electronically in order to access to office without paper.

2. Make search through all Chamber’s systems using a unified system.

3. Follow up all administrative circulars and decisions.

4. Follow up office bulletins (the latest books, magazines, bulletins and etc. received by the office weekly).

5. Electronically apply for leaves and give approval thereof as well as other administrative requests.

Within an information solidarity program for renaissance of Kuwaiti society and the quest for shifting to what is called the Digital Society where individuals have inner confidence and continuous motives to self promotion and the ability to deal with new electronic technology to the extent that making use of national program outputs in this field becomes feasible (such as e-Government project and Kuwait Information Network Scheme), an idea of old computers project crystallized by distributing computers out of use in government bodies to a significant segment of Kuwaiti society (namely needy and modest families), which, in addition to the national sense that would have a positive return at the government level, aims to realize the following:

1. Eliminate computer illiterate and promote cultural level of Kuwaiti society in the field of information technology (IT).

2. Provide support through simplified views that would have positive impact on individuals who are beneficiaries of this project in order to simplify and facilitate their daily concerns and interaction with other society segments. This will give impetus to adopt and accept new concepts in developing life style.
3. Qualify and prepare citizens who are beneficiaries of the project to interact with developments in providing services electronically and to increase return on introduction of advanced technology in government business adopted by the State.

4. Change a significant segment of the citizens into productive elements within a human development program for Kuwaiti society. This can be achieved through marketing technological products whether computers made up from assembly of parts taken from old ones or upgrading some of simple application software suitable for commercial fields in local market.

E-Government involves the transformation of how Governments Department and agencies deal with each other (G to G), how Government manages its employees (G to E), how Government provides services to businesses (G to B), and how Government provides services to its citizens (G to C). e-Government is about making the full range of government activities – internal process, the development of policy and services to citizens – available electronically. The e-Government ‘evolution’ is possible because of the availability and pervasiveness of ICT technology. Important components of such technology include the Internet, broadband infrastructure, and applications to enable activities and transactions to be performed; such as payment and security applications. e-Government technology is still evolving and developing eg. wireless applications, and web services.

Kuwait Ministry of Education (MOE)’s awareness of the importance of computer-based education has reflected in many decisions on introducing computer in education in the State of Kuwait. This awareness is based on a carefully studied scientific plan aiming specifically at introducing computer
in the various stages of education in the light of MOE’s educational schemes, the available potentials and according to the scientific planning techniques as well as making use of local, regional, Arab and international experiences in this regard. These measures have contributed to realization of MOE readiness for implementation of e-Government Project. Numerous information systems have been developed currently used in MOE: Teacher’s Record System, which contains all teachers’ data. It is used to transfer and nomination for leading posts; Student’s Record System, which contains a full record for each student starting from joining the first educational stage until his graduation. It contains full data of student, marks accumulated throughout the academic year, their marks at the end of the academic year. Results, reports and statistics can be drawn from this record as well as pass certificate; Library System which serves as an integrated system for MOE libraries including automation of its services and departments in terms of supply, classification and linking them to all school libraries in residential areas through computer.

Kuwait Ministry of Social Affairs and Labour makes efforts to develop its computers and services to keep pace with implementation of technology use in government business in order to facilitate the ministry’s dealing with citizens and expatriates. While the ministry deals with all segments of the society: children, manpower and adults, it has started to lay down initial rules for changing its overall information technology infrastructure. The ministry’s current vision depends on access to better services through the best applications in the field of technology and modern applications in daily business. Ministry of Social Affairs and Labour updates the following matters according to the new technology systems:
- A new system for filing and automated documentation depending on information technology (IT).
- A new system for changing forms at the ministry into computerized forms.
- A new system for business inspection depending on automatic transmission of information.
- A new and advanced system for voice and automated enquiry about information.
- Developing the ministry’s systems to cope with the idea of state’s electronic gateway.
- Developing information network for ministry’s website where it becomes effective in dealing with general public.

The model helps understand that e-Government is a technological challenge. E-Government is a new way of not merely communication between government and its citizens; a new understanding of the roles of all involved parties. As a consequence, we have to consider the aspects of the society for which we create e-Government solutions also includes also legal and organizational aspects. A lot of e-Government projects went wrong because of copying projects that were a great success in another country. This may work as long as the problem can be solved with information and communication-technology. IT is more or less standardized all over the world and so it can be exchanged without noticeable problems.

Successful e-Government uses a comprehensive approach that includes technology, as well as law, organization, society and other aspects. E-Government is no longer an isolated discipline of IT; it has grown to a field of its own that penetrates several other areas.
The model divides the environment of e-Government into four areas. These areas cover the most important fields that are touched by Electronic Government. All of these four aspects must be discussed and studied to be able to define a comprehensive e-Government strategy that will be accepted by its citizens. Furthermore, all of these four aspects must be reviewed again in each project. To make sure that on one hand the project fits the strategy and the project fits the needs of citizens on the other hand. The second point is very important. An e-Government project is only successful when it creates a value for its users. Therefore, we must know the expectations and the needs of citizens before the project starts. The four areas the models defines are:

1. Society
2. Law
3. Management
4. Technology

In the sphere of the society the model answers roughly the questions of why we should make e-Government, and which direction should e-Government take to be accepted by the society it was designed for. E-Government must not be a foreign body. It must support and complete the existing mechanism of communication between a government and its citizens. Another sphere of the model is the legal area. Very often then e-Business solutions are not adapted for a government. Then, people realize that a government has other legal basic principles than what business has. An Example for this is the concept of the "handwritten signature" that has two different roles in the private law, and the public law. The legal questions must be answered in a strategy. This strategy must give an answer where law should be enhanced, in the near future, to enable legally correct e-
Government a very important aspect to enjoy public confidence because only trustworthy e-Government will be a successful one. This is also valid in an international context. In another sphere, one have to pay attention is called “Management”. In fact we address the Management of the Public Administration with all its aspects. Basically, one talks about organization and processes. E-Government makes no sense if one only build web-interfaces without redesigning the processes behind. The real potential of the Cyber Administration lies in the reorganization of the operations. - The web-based front-end is the least problem we have to solve. But reorganization is always a scary thing. Normally, people hate new situations. Unknown processes are hardly accepted. This is a huge risk for successful e-Government; i.e citizens can endanger new solutions by refusing them. This is a cultural and interpersonal problem that cannot be solved by technology. You have to understand how people feel and how they think. When you’re able to deal in a right was with your citizens you will be able to introduce e-Government.

This sensitive factor is the second big question we have to answer in the sphere of Management of Public Administration. The culture often changes from one office to another. This means that you may have to adopt this part of the e-Government Strategy for each organizational body of the Administration. Though this needs a lot of resources it is inevitable to ensure successful e-Government. Ultimately the officials of the Public Administration will be the fundament that has to support e-Government. So it is absolutely critical that their needs and fears are considered or your own Administration will avoid every single e-Government initiative.

The last sphere in the model is “Technology”. In the last area (and not earlier) we begin to solve the questions about hardware, software and
networks. Here, the technological strategy has to be defined. This model helps realize that e-Govemment is not merely a technical issue but it is a comprehensive challenge. Going through the different spheres, you will get away from a pure technical approach and realize that non-technical solutions will deliver better results for solving the problem. An example may illustrate this: If you find in the Sphere of Society that people think the government should be “closer to citizen”, the technical approach would be to introduce more e-Govemment solutions, and enable access to the Internet to all citizens. But, maybe this is not what the citizens want. Talking to the Administration by a computer may make them feel even more detached from his government than before. It might make more sense to organize an advanced training for the employees of the administration in the field of “Citizen-oriented Behavior”. This example shows what the comprehensive approach for e-Govemment means: The Administration and its citizens have expectations and needs. They can be fulfilled in different ways, i.e some of them make more sense, other make less sense. However, it is important to realize that e-Govemment normally is only one possible way to solve the problems. There are several other alternatives. The options of the “Old Government” and the “New Government” have to be combined in a way that they support each other. The goal must be to find the most effective combination to solve the existing problems, and generate a real added value for the involved parties.

Public Authority for Industry (PAI), with the main objective to promote industry in Kuwait, facilitates and regulates the industrial activities in Kuwait, excluding the oil industry. It was selected because in a series of consecutive projects, with full support of executive management, an Industrial Corporate Portal was developed providing from a single gateway,
both transactional and informational services, to the current and potential
investors. The checklists provide simple assessment tools to assist in
focusing high level awareness across the range of issues required for the
efficient and effective implementation of e-Government. The checklists
focus on main themes such as Leadership and Governance, Funding, People,
legal Affairs, Customer Readiness and Accessibility, Privacy, Security and
Technology and Information Management.

Ministry of Health in Kuwait (MoH) is currently upgrading and
developing its health delivery systems. Development of health care involves
improvement of medical and nursing care given to checked-in and patients
outpatients. To achieve the required level of improvement, the ministry has
considered and taken few major steps. One of the major steps taken is to
generalize the introduction of information technology (IT) elements and
procedures. This effort has started four years ago.

The Ministry of Health in the State of Kuwait has planned to generalize
the use of modern information technology tools in all activities. This
involves the introduction of IT systems in health care centers, hospitals
(regional and specialty), and central departments. Thus, the level of services
rendered to patients will be improved and costs reduced. Also, the Ministry
of Health is currently engaged in the development and construction of
Health Area Network (LAN and WAN). The systems will have its own URL
for Internet users, and help achieve an e-Government in Kuwait.

E-government Project is one of the challenges in this new era in
Kuwait. The studies by Aladwani\textsuperscript{18} portrays the mediating effect of
participation on the relationship between heterogeneity and rewards, and

\textsuperscript{18}Aladwani, A.M. 2000. "IS project characteristics and performance: a Kuwaiti illustration". \textit{Journal of
project performance, The philosophy of e-government will help individuals advancement and prosperity as well as economic growth of the country. Therefore, the developing countries’ need for e-government implementations is greater than developed countries’; as such implementations have numerous benefits, which can be realized through adoption of e-government principle.

One of the most important benefits that can be gained from e-government is saving of financial and human potentials as well as rationalization of their use in favour of the society. It also realizes justice and equality, where it will eliminate mediation and nepotism in providing services for the community members.

Moreover, it helps save time optimally, where creates great benefits for community members and administrative units. In addition, it considerably increases efficiency of government authority’s performance, where time and efforts are not wasted in vain. Using e-government means, human potentials working in the government sector can utilized for checking accuracy and correctness of information instead of wasting time and efforts in exhaustive manual jobs. As Consumer Affairs Department at Ministry of Electricity and Water provides (MEW) its services for citizens and residents in Kuwait, and wishes to improve such services, which calls for use of new technologies in rendering such services through implementation of e-government systems. Therefore, it aims at preparing a feasibility study for implementation of e-government project in providing services of Consumers Affairs Department.

Electronic government implementation in Kuwait also requires a shift in the relationship between groups within the government. Instead of competing they have to show cooperation so that the government can
provide the citizens with the best possible services and fulfill its obligations. Those units or groups should not resort to competition and rivalry in order to secure exclusive domains of bureaucracy for themselves. The limitations of Marxism and its extensions by Lenin, Stalin and Trotsky, in understanding nature of bureaucracy was dramatically brought home by the collapse of the Soviet Union.19

Kuwait has to reevaluate the way it present its image at every level in the middle of this information age. Full determination should be in place at the highest political levels to lead, push ahead and even impose necessary change to transform plans into living reality.

There are some challenges to the developing countries such as the digital gap, and educational, economical, and organizational impediments which make entering the world of digits a hard task as well as the implementation of electronic trade grid, the governments monopoly, or central of down stream services, such as the basic telecommunication services. One has to capitalize on the need to develop a legal and technical environment including the norms of on-line contracting and digital signing, facilitating the utilization of the infrastructure to the public as well as setting criteria for piracy, insurance, documentation and promoting and supervision of the sound relationship between the government and the private sector upon the implementation of the new change, like the electronic trade the challenge of the electronic government faces the whole community.

In the contemporary world, the issue is how to rid ourselves from bureaucracy as well as other social and psychological phenomenon. The negative aspects which may face the electronic government such as the change and the transformation of the society to the hegemonous capitalism

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19 Smith B C 1988 *Bureaucracy and Political Power* Wheatsheet Books Sussex
of technology. The neo-marxist saw bureaucracy as a class apart having its own autonomous structure, playing their power games with the other classes.\textsuperscript{20} We shall also discuss some technical and technological problems such as the password, the smart card, and instruments of protecting the confidentiality. Recent sociological thought reveals that the current realities are not fully represented in the theories described so far. They hold that “bureaucracy is not a monolithic hierarchy…it is a fragmented set of agencies that are in fierce competition."\textsuperscript{21}

While India has decided more than twenty years ago that the way to the future is to leverage on ICT and computerization to activate government administration, processes, business and citizen services. E-Governance Assessment Framework (EAF). The E-Governance Division of Indian Ministry of Information Technology, has entrusted the study of developing frameworks for the assessment of E-Governance projects, to the Center for Electronic Governance, IIMA (CEG-IIMA) and the National Institute for Smart Governance, Hyderabad (NISG). The CEG-IIMA and NISG study team got the initial ideas on this study in the Workshop on “ICT for Poverty Alleviation in India: Financing Models and Scaling up Opportunities” during 26-27 February, 2004 jointly conducted by World Bank, NASSCOM, Ministry of Information Technology, and CEG-IIMA during February, 2004 at IIM, Ahmedabad.

In countries like India, the space vacated by the government withdrawing from some economic activities in the name of liberalization and privatization is being occupied by the profit seeking corporate sector. There is hardly any matching of private interests of business with public interest of

\textsuperscript{20} Bardhan 1997 \textit{The Role of Governance in Economic Development}, OECD Paris
the community. A serious mismatch between the two would indicate the
death of good governance. Commenting on the post-liberalisation Indian
scenario, a senior bureaucrat has commented: “...the buccaneers and
privateers are having a free run of the economy since the liberalization.
Otherwise how could one explain the continuous and rhythmic oscillation
between scam and scandal from mid-1991 to now? ...The economy is having
no respite from piracy and pillage.”

The Department of Information Technology, Government of India,
has felt it is necessary to create a rational framework for assessing e-
Governance projects on various dimensions. Significant national resources
to the tune of about Rs. 25 billion are going annually into implementation of
e-Governance projects. Most of these projects are propelled by localized
perceptions of the need to exploit ICT for better service, better efficiency
and transparency. However, there is no evidence of any appraisal being done
before the sanction / grounding of a project or during the period of its
execution, as to whether the project is proceeding on the right lines to
achieve its original objectives. The rating of some of the e-Governance
projects implemented in the country is currently based on subjective
assessment and value judgment of a few individuals and authorizations.
There is no authentic mechanism, much less an institutional mechanism, for
ensuring a rational and objective assessment of the projects. Such a situation
is detrimental to a healthy development and growth of the e-governance
sector.

The National Action Plan on e-governance has an ambitious outlay of
over Rs. 120 billion involving public and private investments over the next

22 Bandyopadhyay, D. 1996. “Administration, Decentralisation and Good Governance,” Economic and
Political Weekly, November 30.
four years. A significant portion of the National Action Plan involves replication of successful projects across different geographical areas of the country. However, the absence of a framework for knowing what a successful project is can severely handicap such replication efforts and also may result in misdirection of the scarce resources. There are significant investments of resources into e-Governance projects, a lot of projects are already in different stages of implementation in India.

The National Common Minimum Programme adopted by Indian Government accords high priority to improving the quality of basic governance and in that context has proposed to promote e-Governance on a massive scale in areas of concern to the common man. A National e-Governance Plan (NEGP) has accordingly been drawn up covering 26 Mission Mode Projects and 8 support components to be implemented at the Central, State and Local Government Levels. India is aiming at achieving the objective of: “Making all Government services accessible to the common man in his locality, throughout his life through a One-stop-shop (integrated service delivery) ensuring efficiency, transparency & reliability and at affordable costs to meet the basic needs of the common man”.23

For realizing this objective, Indian Government establishes Data Connectivity and Services Delivery Access points, including the remotest areas. Government has already approved a scheme for the establishment of State Wide Area Networks (SWANs) at a total outlay of Rs.33.34 billion over a period of 5 years. These SWANs will extend data connectivity of 2 Mega bits per second upto the block level in State or Union Territory in the country. The block level nodes in turn, will have a provision to extend

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connectivity further to the village level using contemporary wireless technology. Under the scheme, proposals from 17 States/UTs have already been sanctioned and first installment of grant released to them. Indian Government is also formulating a proposal to establish 100,000 Common Services Centres that would extend the reach of electronic services, both government and private to the village level. Various government departments have been advised to design and evolve their Mission Mode Projects laying adequate emphasis on Services and Service levels in respect of their interface with citizens and businesses.

The Department has implemented “India Portal” project through NIC which would facilitates single window web based availability of Government information and services at the National Level. The First version of “India Portal” is now operational.24

Indian Government has also activated an Institutional mechanism for evolving and enforcement of Standards for NEGP (National e-Governance Plan). National Informatics Centre (NIC) would steer the process of evolving standards, Apex Committee (under the Chairmanship of Secretary, DIT) would be approving standards and STQC would be responsible for documentation, adoption and enforcement of standards. The Program Management Unit set up by the Department provides secretarial support to the Apex Committee and other Line Ministries in evolving project proposals for the execution of various Mission Mode Projects and Components under the NeGP.

The nature and scale of e-governance initiatives in India are planned in the domain of the State Governments and would entail major managerial and technological challenges. This necessitates Capacity Building both at

24 can be visited at www.india.gov.in
Programme level and Project level in States. The Planning Commission has allocated funds as Additional Central Assistance (ACA) to all the States for taking up Capacity Building measures as a first step towards NeGP. For the benefit of various state governments and for maintaining uniformity, Department of Information Technology has formulated guidelines for Preparation Detailed Proposal by the respective states for capacity building. This also includes Suggested Institutional framework and formation of State e-Governance Mission Team (SeMT) attached to a suitable Department for supporting the State Policy and decision makers for taking up e-Governance Programme and projects in a comprehensive manner. The Department jointly with NISG held series of workshops to create awareness for Capacity-Building requirements. States have been advised to prepare Capacity Building Road Map and detailed project proposal for Capacity Building for the next 3 years.

India has also laid the National Electronics/IT Hardware Manufacturing Policy. The Department has prepared a ‘Conceptual Policy Framework to promote growth of Electronics/IT Hardware Manufacturing Industry’ in consultation with the industry associations. It addresses issues on – Tariff policy, EXIM policy, Hardware Manufacturing Cluster Parks, supporting R&D, marketing Made in India, inviting large Electronics Manufacturing Service Companies to set-up Indian operations, development of semiconductor industry, labour laws, patenting, etc. The discussion paper on ‘Conceptual Policy Framework to promote growth of Electronics/IT Hardware Manufacturing Industry’ has been forwarded to National Manufacturing Competitive Council (NMCC).

Minocha quotes World Bank guidelines and more operationally defines its criteria as “political accountability, availability of freedom, law
abiding, bureaucratic accountability, information available transparently, being effective and efficient, and cooperation between government and society.”

The Department of Information Technology in India has identified increase of PC penetration and internet utilization/coverage in the country; and growth of domestic software market as the thrust areas for action during next 2-3 years. The Department has set up an Expert Committee with members from the industry and Government to suggest ways to increase PC penetration, Internet penetration and growth of domestic software. The expert committee has submitted the report on 26 April 2005. The Department has set up six committees on Low Cost PC Manufacturing; Education; e-Governance, IT for Rural and Social sectors; Multilingual Software Applications and Contents; Internet penetration; and Telemedicine to prepare Action Plan in the respective sectors. The Department will put in place a policy package to achieve these desirable objectives. One of the objective of setting up of Expert Committee on PC penetration was to make the price of computer affordable. As a step in this direction, the Department had discussions with various computer manufacturers to roll out some Rs. 10,000 fully loaded computer. This major initiative would go a long way in increasing PC penetration in the country. As a result of these initiatives, two manufacturers namely, M/s HCL and M/s Xenitis have launched their low cost PC at a price below Rs. 10,000 during August 2005.

The benefits of information technology can reach people at the grassroots in India only when the digitized information is available in all Indian languages. To enable wide proliferation of ICT in Indian languages, tools, products and resources should be freely available to the general public.

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The Department has taken a major initiative to make available tools & fonts in various Indian Languages freely to the general public. The Department has released in the public domain, various Tamil language fonts, e-mail client, Optical Character Recognition (OCR) software, spell checker and dictionary in April 2005. Similarly the Hindi and Telugu software tools and fonts were released in June 2005 and October 2005, respectively. Software tools and fonts in Punjabi and Urdu are ready and will be released shortly. All Indian languages are expected to be covered in the next one year.

To proliferate .IN Domain Name, a new .IN Internet domain name policy framework was formulated and implemented by the Government in October 2004. The policy aimed to remove the restrictions in the existing procedures impeding a liberal, expeditious and market friendly approach to register large number of .IN domain names. In January, 2005 the Ministry and National Internet Exchange of India (NIXI) took the important step of setting up of the state-of-the art, hardware and software and re-launched the .IN Registry. The opening of the .IN Registry has significantly improved and broaden the availability of the domain names. The registration of the .IN domains has reached 150,000 names by 7th December, 2005.

National Internet Exchange of India has been set up to ensure that the Internet traffic which originates within India and also has destination in India, remains within the country, resulting in improved traffic latency, reduced bandwidth cost and better security. Four Internet Exchange Nodes have been set up and operationalised at Noida (Delhi), Mumbai, Chennai and Kolkata, and as many as 40 ISPs have been connected with these nodes.

Indian Government has also set up an Expert Committee on Information Technology Act to review the IT Act and propose appropriate amendments in the light of the national and international developments post
IT Act 2000. The Expert Committee has submitted its report which also addresses provisions related to data production, privacy in context of Business Process Outsourcing (BPO) operations, liabilities of network service providers, computer related offences, regulations for cyber cafes, child pornography, etc. The report has been made public and hosted on the Department’s website in order to seek opinion/feedback from the public. Based on the recommendations of the Expert Committee on Information Technology Act, the amendments to the IT Act have been finalised and are being submitted to the Cabinet for approval.

Kuwait and India was chosen for this study because it is representative, India\textsuperscript{26} and Kuwait\textsuperscript{27}, wherein New Delhi have recently and rapidly become popular outsourcing locations for multinational IT companies and Kuwait is in the process of building a platform for the Gulf region. Moreover, several other systemic issues for good governance are still to be resolved; and these (multidimensional) dilemmas are no easier to resolve in the new East or in the old West. A “natural” tension has long existed between efforts to sustain a society aspiring to the highest standards of human welfare and the promotion of privately-centred, risk-taking business activities, initiatives and innovation. Likewise, a balance has yet to emerge between the relative security of employment (and by extension, human dignity) in a kinder and gentler business environment and corporate governance devoted solely to a single-minded pursuit of short-term profit maximization. The former has to be funded or mutualized in part through

\textsuperscript{26}Heeks, R 1996 ‘Promoting software production and export in developing countries’, in Roche, E.M., Blame, M.J. (Eds), Information Technology Development and Policy Theoretical Perspectives and Practical Challenges. Avebury Publishing, Aldershot, pp 77-94

employees’ forced savings and lower returns on capital while the latter tends to carry with it opportunities for enrichment for some and demoralizing uncertainties and insecurities for many. Furthermore, public and private governance has too often failed to make adequate provision for the overlap between current necessities and future requirements within and across interdependent economies, the intergenerational sustainability of development. The net result is that consensus-building on major issues has often proved so intractable that convenience, opaqueness, exclusivity and expediency are “the name of the game”, along with the skewed distribution of benefits and burdens. This may well be regarded as “the art of the possible”. Good governance facilitates but by no means guarantee, the emergence onto the domestic and global arena of competing players and actors who are actually provided with equal opportunities or endowed with comparable strength and capabilities. And this leads to another set of critical, but even woollier, issues of an international nature.28

The concerns which led to the birth of the New Public Management (NPM) have not disappeared since the term was first invented by Louis Gunn and Christopher Hood in the mid-1980s and its growing importance in countries like Kuwait and India. However, the role of the NPM in the public sector has altered significantly since that time.29 The crude approaches to NPM in the late 1980s and early 1990s, centring on wholesale privatization, internal markets, competitive tendering, organization-wide performance indicators and ‘performance incentivisation’ were quickly seen to run out of

steam, especially where they were most ardently applied – in New Zealand and in Britain.\textsuperscript{30} Nevertheless, some of the enduring successes of NPM have spread from the ‘Anglo-Saxon’ heartland of its origins, so that now there are very many variants of performance management, the mixed economy of provision and decentralized managerial structures in many parts of the world, apparently bringing some improvements to the state apparatus and public service systems in those countries. At the same time, a new concern for governance has arisen in the Western world.\textsuperscript{31} In the private sector, this has been fuelled by concerns with corruption, environmental depredation, abuse of monopoly power, and the salaries paid to executives and board members. In the public domain, it has partly arisen because of the exposure of corruption and unethical practices in the public sector (for example through the work of the Nolan and Neill Committees in the UK) and partly through the realisation of governments that they were in danger of losing their residual legitimacy, as citizens were widely seen to be losing trust in government in general, as well as in their government in particular. We define governance as: \textsuperscript{32} ‘the set of formal and informal rules, structures and processes which define the ways in which individuals and organisations can exercise power over the decisions (by other stakeholders) which affect their welfare and quality of life’. Clearly, from this definition, good governance


requires more than good government. Indeed, we assume that in general governance involves six groups of stakeholders:

1. Citizens (as individuals)
2. Voluntary sector
3. Business
4. Media
5. Higher levels of government/Parliament, including international levels
6. Local authorities

It is also evident that governance goes beyond the management of service delivery. The difference between an NPM and governance approach may be illustrated using the example of clean cities. Whereas NPM-oriented change agents tend to focus their efforts on improving street cleaning and refuse collection services, a local governance approach emphasises the role of citizens in respecting the communal desire that none should throw litter on the streets in the first place, and that materials should be recycled, not simply thrown away. This involves education (not only in the schools, since ‘litter-bugs’ come in all sizes and ages), advertising campaigns, encouragement of people to show their disgust when dirty behaviour occurs, and the provision of proper waste facilities, which will help to prevent litter problems occurring in the first place. NPM was born in economic recession. In the early eighties, budget deficits were a major motive for government reforms in many parts of the world – regardless of whether they were imposed by international pressures (e.g. the IMF or World Bank) or by national governments themselves. However, since that time, many national governments have achieved more favourable budget positions. While
services still need to be managed in an economic and efficient way, the financial driver for managerial reforms has become weaker. However, other external challenges have emerged to drive reforms, typically in a different direction to the managerial reforms in the 1980s and 1990s. Governments face a number of new challenges at the beginning of the 21st century:

In the age of globalisation and localisation, governments increasingly have to make pro-active responses to positive economic opportunities as well as to react defensively to negative economic pressures.

Demographic changes in all OECD countries have greatly affected governments as employers and service providers. The ageing society implies a higher demand for social services and a lower employment base from which taxes can be generated. At the same time, public agencies have to compete with non-profit and private employers in the market for skilled and motivated labour. This is usually made more difficult by the fact that salary levels in government, particularly at local level, are typically lower than in the private sector. Public agencies are therefore challenged to find and to afford non-monetary incentives to recruit and sustain high performing employees.

Furthermore, the public sector has to deal with new sets of expectations from citizens, who in general are better informed and educated than before. At one level this means that citizens expect better quality services. However, it also means that governments need to create possibilities for citizens and other stakeholders to participate effectively in public matters.

Expectations have also altered amongst staff, partly because they have often felt deprofessionalised in the NPM world of increased managerial accountability, performance measures and targets, and budget management.
The availability of modern ICT offers new approaches to information management, consultation processes and service delivery at national, regional and local levels of government. The potential for application of e-government is huge, particular in customer-facing services, and at local level, given the multiple direct interactions between local authorities and their local stakeholders. However, all public agencies are also confronted with the ‘digital divide’ dilemma, having to balance the equity and cost implications of traditional versus electronic service delivery and communication policies. Of course, the set of challenges described above developed gradually rather than overnight. Also, in many cases, fiscal pressures have persisted and have been mixed with the new demands on governments. Which pressures are dominant and which are less relevant depends essentially on the setting. As local contexts become more differentiated in the future, the variety of approaches to national, regional and local reforms may well be greater than in the NPM era.

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Bogason Peter 2000 Public Policy and Local Governance Institutions in Post-Modern Societies Cheltenham Edward Elgar, p 21

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