4.1 DEMOCRATIC GOVERNANCE

Democracy: In Greek ‘demos’ means ‘the community’ and ‘kratos’ means ‘sovereign power’ i.e. government by the people usually through elected representatives. In the modern world, democracy has developed from the American and French revolutions. A political system can properly be called democratic only if the government in power can be peacefully removed by a majority decision of the people, through fair and open elections. There are few nation states today that do not claim to be democratic, but not all would qualify on the basis of this criterion.

The Universal Declaration of Human Rights, which was adopted and proclaimed by General Assembly resolution 217 A (III) of 10 December 1948, expressed the values of democracy in proclaiming that “the will of the people shall be the basis of the authority of government” (article 21) and considered it essential that “human rights should be protected by the rule of law” (Preamble). Not long afterwards, the General Assembly adopted its first explicit resolution on “Promoting and Consolidating Democracy”.

- Promoting pluralism.
- Promoting, protecting and respecting all human rights.
- Strengthening the rule of law.
- Developing, nurturing and maintaining an electoral system that provides for the free and fair expression of the people’s will through genuine and periodic elections.
Creating and improving the legal framework and necessary mechanisms for enabling the participation of all members of civil society in the promotion and consolidation of democracy.

Strengthening democracy through good governance

Strengthening democracy by promoting sustainable development

Enhancing social cohesion and solidarity

(Source: UN Resolution adopted by the General Assembly on “Promoting and Consolidating Democracy.” Feb 2001)

4.1.1 Types of Democracy

Parliamentary: In Parliamentary (direct) democracy the whole people meets for the making of laws or the direction to executive officers, for example Athens in the 5th century BC. Direct democracy today is represented mainly by the use of the referendum as in the UK, France, Switzerland, Liechtenstein and Italy. The populist instrument of citizen's initiatives or propositions is used in certain states of the USA. The citizen's initiative is a bottom-up, grassroots device whereby proposed laws and constitutional changes are put to the public for approval.

The two concepts underlying Parliamentary (liberal) democracy are the right to representative government and the right to individual freedom. In practice the features of a liberal democratic system include representative institutions based on majority rule, through free elections and a choice of political parties, accountability of the government to the electorate, freedom of expression, assembly, and the individual, guaranteed by an independent judiciary, and limitations on the power of government.
Republic: Latin word ‘res publica’ means ‘the state’ from res ‘affair’ and publica ‘public’. Thus country where the head of state is not a monarch either hereditary or elected but usually a president whose role may or may not include political functions. A republic may be an aristocracy, oligarchy, or democracy. The earliest republics, those of Greece and Rome, were mainly aristocratic city-states as were the medieval republics of Venice, Florence, Genoa and other Italian towns.

San Marino and Andorra are the smallest republics. Germany, Switzerland, and the USA are federal republics. Several former British colonies, for example India (1947), Ghana, Nigeria, and Zambia, have become republics since attaining independence, while remaining within the Commonwealth, of which the Queen is the head.

Representative: In representative democracy competitive elections based on universal suffrage and secret ballots are used to achieve political representation. Elected representatives have political authority and their legitimacy comes from the consent/mandate of the electorate. Elections confer a new mandate for a given period of time, where elected politicians then act on behalf of and are accountable to the general public.

Participative: Where local governance is democratising, increasingly responsive to and interactive with the community. They are more participatory, transparent, and accountable to local residents. Services are increasingly provided in response to citizen demand and priorities.

(Source: UN, June 2001)
4.1.2 Elements of Democratic Governance

UNESCAP: Government is one of the actors in governance. Other actors involved in governance vary depending on the level of government. For example, other actors may include influential landlords, associations of peasant farmers, cooperatives, NGOs, research institutes, religious leaders, finance institutions, political parties, the military etc. At the national level, in addition to the above actors, media, lobbyists, international donors, multi-national corporations, etc. may play a role in decision-making or in influencing the decision-making process.

All actors other than government and the military are grouped together as part of the “civil society.” In some countries in addition to the civil society, organized crime syndicates also influence decision-making, particularly in urban areas and at the national level. At times informal decision-making structures, such as “kitchen cabinets” or informal advisors may exist. In some states locally powerful families may make or influence decision-making. Such informal decision-making is often the result of corrupt practices or leads to corrupt practices.

USAID: Organisation promotes democracy and good governance on four distinct, but related goals. As per USAID progress in all four areas is necessary to achieve sustainable democracy.

- Strengthening the Rule of Law and Respect for Human Rights
- Promoting More Genuine and Competitive Elections & Political Processes
- Increased Development of a Politically Active Civil Society
- More Transparent and Accountable Governance
An influential viewpoint among political thinkers and observers is that all democracies are a combination of pure democracy and its antithesis, oligarchy. In its analysis of democratic governance in different social and cultural contexts, the HDR 2002 examined these ideas, among others, and put together a set of core elements that address the question. Democratic governance means that:

- People’s Human Rights and fundamental freedoms are respected, allowing them to live with dignity.
- People have a say in decisions that affect their lives.
- People can hold decision makers accountable.
- Inclusive and fair rules, institutions and practices govern social interactions.
- Women are equal partners with men in private and public spheres of life and decision-making.
- People are free from discrimination based on race, ethnicity, class, gender or any other attribute.
- The needs of future generations are reflected in current policies.
- Economic and social policies are responsive to people’s needs and aspirations.
- Economic and social policies are aimed at eradicating poverty and expanding the choices that all people have in their lives.

Democratisation to the extent that it’s successful needs a framework of institutions. For this, a central challenge is building and strengthening the key institutions of democratic governance, as listed below:-
A system of representation, with well-functioning political parties and interest associations.

An electoral system that guarantees free and fair elections as well as universal suffrage.

A system of checks and balances based on the separation of powers, with independent judicial and legislative branches.

A vibrant civil society, able to monitor government and private business and provide alternative forms of political participation.

A free, independent media.

Effective civilian control over the military and other security forces.

(Source: Governance for the Future Democracy and Development in the Least Developed Countries, UNDP, May 2006)

Freedom House: Freedom is possible only in democratic political systems in which the governments are accountable to their own people, the rule of law prevails, and freedoms of expression, association, belief and respect for the rights of minorities and women are guaranteed. Freedom ultimately depends on the actions of committed and courageous men and women.

4.1.3 Decentralised Democracy

Decentralising government from the national level to regions, districts, towns, municipalities, rural areas, settlements and communities enables people to participate more directly in governance processes and can help empower people previously excluded from decision-making. In this way a country can create and sustain equitable opportunities for its entire people. Decentralised governance,
carefully planned, effectively implemented and appropriately managed, can lead to significant improvement in the welfare of people at the local level, the cumulative effect of which can lead to enhanced HD.

Aim of decentralise government is to improve the living conditions of the local population through delivery of services, especially to marginalised groups, promote democratic principles and encourage wider participation in decision-making, foster the principles of partnerships among a variety of partners and bring political stability by granting more autonomy and power to ethnically homogeneous groups concentrated in specific geographic areas.

As per OECD the concept of democratic decentralisation is defined by sharing resources, power and responsibility in a variety of ways which have to be generally understood and be protected by checks and balances, reflected inter alia by the accountability to the people at different levels. Decentralisation is measures and mechanisms for the participation by citizens in the management of their own community. This can be designated as “democratic decentralisation” or “democratic local government”. Where it is put in place correctly, democratic decentralisation can also improve the functioning of the state and improve the effectiveness of services. Democratic decentralisation is not meant to weaken the central government, it may even strengthen it by limiting its functions to those it can and must perform effectively.


**Types of Decentralisation:** Decentralisation does not always result in a more participatory approach to development management. It does not always foster
greater partnership with other stakeholders. Also we cannot conclude that it always leads to more effective service delivery and hence an improvement in the quality of life of people at the grassroots. But it can be said that the right combination of all these elements strongly tends to result in more effective meeting of the needs of people at the local level and in improvements in the quality of their lives. Following are the four main elements which must be focused and decentralised:-

- I Administrative Decentralisation
- II Fiscal Decentralisation
- III Divestment
- IV Political Decentralisation

India’s View (9th plan): The 73rd and 74th Amendments envisaged the village panchayat/ ward council as a forum and action point where local solutions to local problems can remedy lacunae in bureaucratic, top-down schemes. For realising the progressive intent of national policy, elected local government institutions must be helped to become vehicles for social transformation, articulating the felt needs of the community, especially those of women and marginalised groups. Thus participation of women and members of SC/ST communities in Gram Sabhas (village councils) and Panchayat meetings is favored to ensure representation of interests of the poor. Rapid HD and strong local democracy go hand in hand. Strengthening local democracy in turn, requires support to people’s participation in the management of local resources and local institutions. Local bodies need to be seen as institutions of self-governance not as ‘delivery mechanisms’. It is crucial to
put in place and strengthen systems of negotiation, regulation and decentralised
governance.

(Source: Decentralisation in India Challenges & Opportunities, Discussion Paper Series 1, UNDP, N Delhi India)

The modern concept of development, which encompasses the core values of life-sustenance (the ability to provide basic human needs), self-esteem (a sense of self-worth, and pride in one's culture/way of life) and freedom from servitude (of not being used as a tool by others for their own ends) is in consonance with Mahatma Gandhi's model for development. The ‘Gandhian model of growth’ emphasised simplicity, non-violence, and sanctity of labour and human values. A basic objective was to raise the material as well as the cultural level of the Indian masses to a basic standard of life within a period of 10 years.

(Source: Imon Ghosh on Mahatma Gandhi’s Vision for Rural India, 1992)

**Mahatma Gandhi on Panchayati Raj:** “Every village has to become a self-sufficient republic. This does not require brave resolutions. It requires brave, corporate, intelligent work. I have not pictured a poverty-stricken India containing ignorant millions. I have pictured to myself an India continually progressing along the lines best suited to her genius. I do not however picture it as a third-class or even a first-class copy of the dying civilisation of the West. If my dream is fulfilled and every one of the seven lakhs of villages becomes a well-living republic in which there are no illiterates, in which no one is idle for want of work, in which everyone is usefully occupied and has nourishing food, well-ventilated dwellings, and sufficient Khadi for covering the body and in which all the villagers know and observe the laws of hygiene and sanitation. There is nothing inherently impossible
in the picture drawn here. To model such a village may be the work of a lifetime. Any lover of true democracy and village life can take up a village, treat it as his world and sole work, and he will find good results.”


4.1.4 Decentralisation in Global Context

International experience bears out the close link between reform and decentralisation. Apart from the theoretical logic of a reduced role of government, creating opportunities both for private enterprise and for community action, in many countries actual reform programme has been built upon increasing institutional space for decentralisation. Reform programmes in developing countries/ transition economies as diverse as Poland, Chile, Argentina and South Africa and China, the autonomy to local units in decisions on incentives for investment and capital market access, has given a strong foundation to reforms. In the case of China, the Town & Village Enterprises (TVEs) were given a wide range of powers in matters relating to resource mobilisation, user fees, and recruitment of experts, apart from implementation responsibilities that they already had. Clearly, economic decentralisation has been the key to success of reform programmes in such contexts. In the above-mentioned countries, only South Africa has undertaken the most comprehensive devolution of powers to the third tier. In China, the reforms were not related to political freedom. Indeed, that is proving to be a hindrance as China integrates more into the global economy through institutions such as the World Trade Organisation (WTO). Political decentralisation provides a more durable ‘rational-legal’ framework that makes decentralisation an integral part of the
political and civic discourse. India is the world leader in creating space for political decentralisation. Now the concomitant arenas of fiscal devolution and economic decentralisation require greater attention by policy researchers.

Change in democratic governance in last 20 yrs is by and large at the cost of authoritarian regimes, is very clear from Graph-6. It is noteworthy that countries in intermediate state have tripled in same period. Population enjoying most democratic system has gone up by 19% is a positive indicator.

4.2 GOOD GOVERNANCE

“The punishment suffered by the wise who refuse to take part in the government, is to suffer under the government of bad men”

PLATO

4.2.1 Defining Good Governance

UN in June 2001 recommended the adoption of five UN principles of Good Urban Governance:

- Effectiveness (includes efficiency, subsidiarity and strategic vision)
- Equity (sustainability, gender equality and intergenerational equity)
Accountability (transparency, rule of law and responsiveness)

Participation (citizenship, consensus orientation and civic engagement)

Security (conflict resolution, human security and environmental safety)

“Effectiveness of governance measures the existing mechanisms and the socio-political environment for institutional efficiency (through subsidiarity and effective predictability) in financial management and planning, delivery of services and response to civil society concerns”.

“Equity implies inclusiveness with unbiased access (be it for economically weaker sections, women, children or elderly, religious or ethnic minorities or the physically disabled) to basic necessities (nutrition, education, employment and livelihood, health care, shelter, safe drinking water, sanitation and others) of urban life, with institutional priorities focusing on pro-poor policies and an established mechanism for responding to the basic services.”

“Accountability implies that mechanisms are present and effective for transparency in the operational functions of the local government, responsiveness towards the higher level of the local government, local population and civic grievances, standards for professional and personal integrity and rule of law and public policies are applied in transparent and predictable manner”.

“Participation in governance implies mechanisms that promote strong local representative democracies through inclusive, free and fair municipal elections. It also includes participatory decision-making processes, where the
civic capital, especially of the poor is recognized and there exists consensus orientation and citizenship”.

➢ “Security of governance implies that there are adequate mechanisms/process/systems for citizens’ security, health and environmental safety. It also signifies that there are adequate conflict resolution mechanisms through the development and implementation of appropriate local policies on environment, health and security for the urban areas.” (Source: UN June 2001)

Governance can be seen as the exercise of economic, political and administrative authority to manage a country's affairs at all levels. It comprises the mechanisms, processes and institutions, through which citizens and groups articulate their interests, exercise their legal rights, meet their obligations and mediate their differences. Good governance is, among other things, participatory, transparent and accountable. It is also effective and equitable and it promotes the rule of law. Good governance ensures that political, social and economic priorities are based on broad consensus in society and that the voices of the poorest and the most vulnerable are heard in decision-making over the allocation of development resources. The characteristics of good governance defined in societal terms are:-

➢ Participation: All men and women should have a voice in decision-making, either directly or through legitimate intermediate institutions that represent their interests. Such broad participation is built on freedom of association and speech, as well as capacities to participate constructively.

➢ Rule of law: Legal frameworks should be fair and enforced impartially, particularly the laws on human rights.
Transparency: Transparency is built on the free flow of information. Processes, institutions and information are directly accessible to those concerned with them, and enough information is provided to understand and monitor them.

Responsiveness: Institutions and processes try to serve all stakeholders.

Consensus orientation: Good governance mediates differing interests to reach a broad consensus on what is in the best interests of the group and, where possible, on policies and procedures.

Equity: All men and women have opportunities to improve or maintain their well-being.

Effectiveness and efficiency: Processes and institutions produce results that meet needs while making the best use of resources.

Accountability: Decision-makers in government, the private sector and civil society organisations are accountable to the public, as well as to institutional stakeholders. This accountability differs depending on the organisation and whether the decision is internal or external to an organisation.

Strategic vision: Leaders and the public have a broad and long-term perspective on good governance and human development, along with a sense of what is needed for such development. There is also an understanding of the historical, cultural and social complexities in which that perspective is grounded.

Democracy, transparent & accountable governance and administration in all sectors of society are indispensable foundations for the realisation of social and people-centred sustainable development. (Source: Declaration of the World Summit for Social Development, 1995)
United Nations Conference on anti-corruption measures, good governance and human rights, identified the concept of good governance and the key attributes of good governance as:-

- Transparency
- Responsibility
- Accountability
- Participation
- Responsiveness

(Source: UN Conference on anti-corruption measures, good governance and human rights, Nov 2006)

Asian Development Bank (ADB) clarifies its concept of governance by identifying four elements. These are:-

- Accountability: Public officials must be answerable for government behavior and responsive to the entity from which their authority is derived.
- Participation: Participation refers to the involvement of citizens in the development process. Beneficiaries and groups affected by the project need to participate so that the government can make informed choices with respect to their needs, and social groups can protect their rights.
- Predictability: Predictability is about the fair and consistent application of the laws and implementation of government policies. A government must be able to regulate itself via laws, regulations and policies, which encompass well-defined rights and duties, mechanisms for their enforcement, and impartial settlement of disputes.
➢ Transparency: Transparency refers to the availability of information to the general public and clarity about government rules, regulations, and decisions. It can be strengthened through the citizens’ right to information with a degree of legal enforceability. Transparency in government decision-making and public policy implementation reduces uncertainty and can help inhibit corruption among public officials.

Further ADB specifies Good Governance practices that enable governments to provide their citizens with improved public service, in an efficient and effective manner. Few examples of good governance practices are:-

➢ Anticorruption
➢ Public Administration
➢ Legal and Justice Reform
➢ Pro-Poor Service Delivery
➢ Public Financial Management
➢ Sub-National/Local Governance
➢ Corporate Regulatory Frameworks
➢ Participation of Civil Society in Public Decision-Making (Source: ADB)

Good governance is linked to an enabling environment conducive to the enjoyment of human rights and “prompting growth and sustainable HD.” Linking good governance to sustainable HD means emphasising principles such as accountability, participation and the enjoyment of human rights, and the rights-based approach to development. (Source: Good Governance Practices that promote Human Rights, Seoul, Sep 2004)
The UN Secretary-General emphasised, better governance means greater participation, coupled with accountability. They stated to create an environment that is conducive to development and the elimination of poverty. 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. (Source: The Millennium Report and Declaration)

As per UNESCAP good governance is an ideal, which is difficult to achieve in its totality. Very few countries and societies have come close to achieving good governance in its totality. Good governance has 8 major characteristics (Fig-7). It assures that corruption is minimized, the views of minorities are taken into account and that the voices of the most vulnerable in society are heard in decision-making. It is also responsive to the present and future needs of society. These characteristics of good governance are:-

- Participation: It is important to point out that representative democracy does not necessarily mean that the concerns of the most vulnerable in society would be taken into consideration in decision-making.
- Rule of law: Impartial enforcement of laws requires an independent judiciary and an impartial and incorruptible police force.
Transparency: Transparency means that decisions taken and their enforcement are done in a manner that follows rules and regulations. It also means that information is freely available and directly accessible to those who will be affected by such decisions and that it is provided in easily understandable forms and media.

Responsiveness: Institutions and processes try to serve all stakeholders within a reasonable timeframe.

Consensus oriented: Mediation of different interests in society to reach a broad consensus in society on what is in the best interest of the whole community and how this can be achieved.

Equity and inclusiveness: All groups but particularly the most vulnerable, have opportunities to improve or maintain their well being.

Effectiveness and efficiency: Processes and institutions produce results that meet the needs of society while making the best use of resources at their disposal. Sustainable use of natural resources and the protection of the environment.

Accountability: Not only governmental institutions but also the private sector and civil society organizations must be accountable to the public and to their institutional stakeholders. Accountability cannot be enforced without transparency and the rule of law. (Source: UNESCAP 2007)

UNESCO Director-General concludes, “Education emerges as the most crucial and basic factor in establishing good governance which in turn has the ultimate goal of achieving sustainable HD and respect for human dignity.” (Source: UNDP Jan 1997)
The 7th Global Forum on ‘Reinventing Government’ issued Vienna declaration, (from 26-29 June 2007) organised by the Dubai School of Government. It focused on several areas, which need urgent action for a better government-people interaction and called for:-

- Increasing transparency and accountability to combat corruption
- Improving access to information and communication technology
- Separation of executive and legislative branches of government
- Rebuilding trust in crisis as well as post-conflict countries
- Promoting innovations in public sector reform
- Supporting effective civil society engagement
- Prioritizing service delivery and access
- Maintaining judicial independence
- Enabling public-private partnerships

Arab Regional Forum recommendations included strategies and policy directions to promote innovation and excellence in government performance across the Arab region. Forum stressed on sharing knowledge on innovations in governance and communication among all stakeholders especially the marginalized population segments, streamline exchange of information among member countries, importance of equipping government officials with the knowledge to provide the most suitable environment for attracting investment, stimulating economic growth, creating jobs and improving the standard of living. Public sector organisations were urged to maintain the delicate balance between their welfare services and efficiency in operation, decentralization of service delivery and monitoring, the utilization of
partnerships, the use of information communications technology, and, the engagement of citizens to develop a sense of ownership. (Source: 7th Global Forum, M'Dhaffer)

Costa Rica has pronounced the main actors of good governance for HD which promotes ten elements of governance. Same are clearly depicted in Fig-8.

The essence of good governance is the capacity to envision the opportunities that lead to a better future, to build a broad consensus in support of that vision, to take the bold decisions necessary to realise the vision, and to exercise the determination and perseverance required for overcoming obstacles and resistances that arise along the way. (Source: Planning Commission of India Vision 2020)

4.2.2 Measuring Governance

The quests for statistically sound, policy-relevant and politically acceptable indicators for measuring various aspects of democracy, human rights and governance are very much alive. In the poverty context, they are indispensable for making strategic policy choices. Yet there is an absence of internationally agreed definitions on these concepts, and an absence of consensus on how to measure them. In fact, despite extensive efforts to identify or devise suitable governance
indicators to be included among the MDG indicators, in the end, none were included.

The main obstacles to create national governance indicators are that no one really knows how to define it. If common definition processes are being undertaken, governance is likely to become a subject of political manipulation. Although there is no universal definition of governance and therefore it is difficult to measure the concept, there are certain standards that all democratic governance systems have in common. The Oslo center refers to these standards as “core indicators” (e.g. free and fair elections). In addition to the core indicators there is a need to have “satellite indicators” that measure the particularities at national and sub-national level (e.g. free and fair elections require different measurements depending on the electoral system, indicators on voter participation). (Source: www.undp.org/oslocentre/index.html)

The United Nations Human Settlements Programme (UN HABITAT) has been working on developing local governance indicators, or to be more precise, urban governance indicators, over the past couple of years. The Urban Governance Index (UGI) developed by UN-HABITAT, is a summary measure of the quality of governance at the local level. It is composed of four sub-indices focusing on Equity, Effectiveness, Participation and Accountability. It also includes some of the indicators mentioned in the five NHDRs' assessment (e.g. voter turnout, civic associations etc.). (Source: www.unhabitat.org/governance)

There is a very positive and at the same time very challenging trend as the experts in governance tend to put under the “governance” umbrella more and more issues
(e.g. democracy, election systems, quality and equity of social services provision) that make the concept of governance too complex and almost non-operationalisable. If it continues, the term “governance” may lose its original meaning and will become an eclectic concept open for a wide variety of interpretations. The number of indicators measuring governance can be extended almost indefinitely if we include all relevant concepts and issues under this umbrella. It is preferable to have the concept of governance built on 3-4 key components (e.g., accountability, transparency, participation in government decision making) and have other issues linked to these core components.

The Worldwide Governance Indicators (WGI) project in its report “Governance Matters VI: Governance Indicators for 1996–2006” published aggregate and individual governance indicators for 212 countries and territories for six dimensions of governance. Project headed by Goran Hyden and Ken Mease is accepted in the 16 developing and transitional societies covering 51% of the world's population. They also looked at six arenas of governance which have analytical and operational relevance civil society, political society, executive, bureaucracy, economic society and judiciary. WGI believe this approach captures issues of importance to democracy, but goes beyond to provide a less ethnocentric set of variables. It focuses on six principles of good governance:-

- Voice and Accountability
- Political Stability and Absence of Violence
- Government Effectiveness
- Regulatory Quality
Rule of Law

Control of Corruption

Research at the national level has demonstrated that good governance correlates with positive development outcomes. A survey on governance in 165 countries reported that a one standard deviation increase in any one of 6 governance indicators causes a $2^{1/2}$ fold increase in the income, a 4 fold decrease in infant mortality and a 15 to 25 percent increase in literacy, thus establishing a clear relationship between governance and human development. As the survey concluded, ‘The result of good governance is development that gives priority to poor, advances the cause of women, sustains the environment and creates needed opportunities for employment and other livelihood.”   

(Source: WB, Governance Matters)

International Institute for Democracy and Electoral Assistance (IDEA) and its indicators framework for democracy assessment cover areas like ‘nationhood and citizenship’, ‘political participation’ and ‘civil society and civic participation’. Apart from this accountability, transparency and participation in government decision-making are core elements of good governance in general. UNDP Decentralised Governance for Development, A Combined Practice Note on Decentralisation, Local Governance and Urban/Rural Development, April 2004 states, “Good or democratic governance is both a means and an end. It is a means to achieve the goals of human development, the main elements of which are articulated through the set of MDGs. It is an end in itself as values, policies and institutions that are governed by human rights principles, i.e., equality and non-discrimination, participation and inclusiveness, accountability and the rule of law.”
Thus participation, partnership, empowering and enabling and community focus could be seen as fostering transparency, responsiveness, consensus orientation, accountability and equity.

As per Seheir Kansouh-Habib President, ‘AFICS-Egypt’ good governance will build on what good governance is to lead to. If what is to result from good governance exists, then good governance exists too. If the results are poor then there is no good governance. If the index of a country is high then we would assume that good governance prevails and that there is accountability, transparency, and other factors without which good results would not be obtained, which would be a sign that there is corruption, mismanagement, lack of accountability on behalf of those in power and no transparency, all leading to the need for reform. But progress can only be measured by results. For this the set of indicators in a given country can be as below which can be added while giving weight to the different factors would help build a good governance index ranking from 1-10.:-

- Gender Equity: Measuring gender gaps.
- Distribution factor: Rich and poor divide, spatial disparities and other socio-economic dichotomies.
- Accessibility of services: Degree of deprivation of certain classes or segments of population.
- Level of participation: Count the number of voters in relation to the size of eligible population (age group and gender).
- Economic growth: The level versus targets.
4.2.3 Measuring Democratic Governance

**Freedom House:** It is an independent non-governmental organisation that supports the expansion of freedom in the world. The organisation believes that Freedom is possible only in democratic political systems in which the governments are accountable to their own people, the rule of law prevails, and freedoms of expression, association, belief and respect for the rights of minorities and women are guaranteed. Freedom ultimately depends on the actions of committed and courageous men and women. Freedom House's annual standard-setting publications are Freedom in the World, Freedom of the Press, Nations in Transit, and Countries at the Crossroads. Freedom in the World 2007, a survey of worldwide political rights and civil liberties, found that although the past 30 years have seen significant gains for political freedom around the world, the percentage of countries designated as Free has remained flat for nearly a decade and suggests that “freedom stagnation” may be developing.

(Source: Freedom House)

Michael Bratton, Yun-Han Chu and Marta Lagos in a paper ‘Implications for New Democracies’ explored the mass satisfaction with “the way democracy works” by world region. They showed that, at the millennium, East Asians were much more satisfied with the state of democracy in their countries than were Latin Americans. While the average African’s satisfaction resembled that of East Asians, the range of country responses in Africa was wider than in Latin America, which suggests that Africans were still making up their minds about the desirability of recent political transitions.
Does voter turnout matter for democracy? In the United States or Switzerland, many citizens may be satisfied enough with the way democracy is working that they do not bother to go to the polls on election day. In India it may be lack of trust on political system and this may be the main reason for poor turnout in elections. Voting has caused positive effects on democratic attitudes. Turning out to vote apparently induces increases in popular support for, satisfaction with, and assessments of the extent of, democracy. Voting in competitive elections also apparently loosens attachments to authoritarian alternatives.


Asian Development Bank: The work of the ADB is aimed at improving the welfare of the people in Asia and the Pacific, particularly the 1.9 billion who live on less than $2 a day. ADB is a multilateral development financial institution owned by 67 members, 48 from the region and 19 from other parts of the globe. ADB’s vision is a region free of poverty. Its mission is to help its developing member countries reduce poverty and improve the quality of life of their citizens. Bank’s governance work seeks to advance its critical objectives. Country Governance Assessments (CGAs) are carried out to systematically assess the quality of governance for member countries and to strengthen the quality of governance. Following objectives/parameters are used in its evaluation work:-

Judicial System Objective:- To assess the degree to which the rule of law applies, as manifested by the operations and effectiveness of the judicial system.

- Organization of court system
- Budget, finances and accountability
- Appointment and remuneration of judges
Efficiency and effectiveness
Legal Framework
Regulatory Regimes

Government System Objective:- To assess the overall policy making and implementation framework with special attention to understanding the extent to which underlying institutional arrangements/mechanisms are geared to produce substantive, well informed, non-contradictory policies that are sustainable in budgetary terms and implementable.

Constitution and Legislature
Machinery of Government (Policy-Making and Coordination)
Participation in the Policy-Making and Legislative Processes
Corruption of Politicians

Civil Service Objective:- To assess the degree to which civil service arrangements are implemented in line with existing laws and to determine whether human resources are managed with reference to accepted public management practices.

Legality and Accountability of the Civil Servants
Impartiality, and Integrity of Civil Servants
Management of the Public Service and HRM issues
Local Governance

Local Governance Objective:- To evaluate the capacity of local governments to respond adequately to the real needs of their constituencies.

Legal Foundation
Public Finances
Civil Service
Public Financial Management Objective:- To assess how well the public financial mgmt system, from revenue administration to public expenditure management, to accounting, to auditing, and to inter-governmental fiscal relations, instills aggregate fiscal discipline, promotes allocating efficiency, and enhances operational efficiency of the government.

- Revenue Administration
- Public Expenditure Management
- Public Sector Accounting and Internal Control
- Public Sector Auditing
- Inter-Governmental Fiscal Relations
- Specific Anti-Corruption Efforts

Legal and Regulatory Framework Objective:- To assess the extent to which the rule of law applies, as manifest in a country’s legal and regulatory regimes.

- Organizational issues
- Transparency and accountability
- Redress mechanisms:
  - Efficiency and effectiveness
- Property Rights

Civil Society and Governance Objective:- To assess the capability of civil society to organize and its ability to scrutinize the operations and activities of government.

- Freedom of elections
- Freedom of Speech
- Organizational Arrangements

(Source: ADB 2001 CGA)