

Anton Bösl: Good Governance – the Paradigm of Contemporary Development Policy. Bad Governance and Difficult Partnerships – the Challenges of the 21st Century

For a long time, development politicians have been pointing out that good governance is a prerequisite of successful development, and that problems with the latter will necessarily arise from bad governance. Next to the discourse on good governance, the debate about what might be described as bad governance is gaining momentum as well, although ideas about the precise meaning of the term governance differ. To obtain a clear picture, we need to take a look at the genesis and grammatical construction of the terms governance and good governance.

Both good governance and bad governance appear to have evolved in response to events of geopolitical importance. While the term good governance has been current since the end of the cold war, bad governance has been circulating since September 11, 2001 at the latest.

Even before 1990, the IMF used good governance to describe the economic standing of creditor countries, although the meaning of the term has been changing. In 1998, a study on Africa emphasised that even national economies that conformed to reasonable rules of economic management did not necessarily develop positively whenever negative governmental and administrative influences were present. In 1992, the World Bank formulated a positive strategy for good governance that addressed four areas: The management of the public administration, responsibility and accountability in the public sector, legal framework conditions, and the transparency of public activities. In 1994, the concept was extended, so that good governance came to be applied to the political system, the exercise of governmental authority, and the ability of a government to formulate and implement political designs. In 2002, the World Bank Institute developed governance indicators that included corruption control in addition to the aspects already mentioned. The concept was subsequently developed further by the OECD, the UN, and the EU. Moreover, good governance has been a key item of the UN Development Programme (UNDP) since 1999.

The OECD began using the term good governance officially only in 1995, employing it to describe the political conduct of governments without, however, taking the dimension of participation, civil society, and the private sector into consideration. For the OECD, governance acquired a key status as late as 1997. The European Union, on its part, mentions the term in three documents – the Cotonou Agreement of 2000, the EU Commission's communication on 'Governance in Developing Countries' of 2003, and the European Consensus on Development Policy of December 2005.

The substrate of good governance may be said to consist of the following aspects: 1) Governance refers not only to the conduct of government but also to the selection of political players and the dynamics of making and implementing political decisions. 2) Political decision-making is not the preserve of governmental authority but involves the civil society and the private sector as well. 3) In countries with a fragile government potential, the importance of structures that are informal and anterior to the state rises correspondingly. 4) Good governance refers to the quality of political processes and decision-making organs. 5) Good governance means power and authority conferred by a sovereign people. 6) Ultimately, good governance aims to secure sustainable development and the welfare of the people.

Nor is it easy to find a blanket definition for the term bad governance. Referring to the aspects named under good governance, we might say that bad governance is characterised by 1) bad conduct of the government combined with a negative performance in making and implementing political decisions, 2) disruptions in the interaction between governmental and non-governmental players, and 3) defective consideration for structures that are anterior to the state.

While the world saw fewer international conflicts after 1945, there was a rising number of domestic struggles which sometimes gravely affected governmental structures and services. Imploding, failing, and fragile states are all mentioned in this context. Their salient characteristics include, for example, a blend of regular warfare and organised crime, blurred distinctions between public, private, and economic players, and crimes against the human rights of the civilian population. The terms bad governance, poor performers, and fragile states are often used synonymously, although they are neither synonymous nor monocausal. The DFID, a British institution, finds that security experts talk of weak, failing, or failed states, whereas development politicians refer to poor performers or difficult partners.

To enable us to distinguish more precisely between the state types concerned, it appears appropriate to look at the definition of statehood. In the international discourse, the normative state is seen as an efficient state featuring a functional monopoly on the right to use force, a range of centralised services offered in the fields of infrastructure, social security, education, and health care, and participation by the people in the making of essential decisions.

If we apply these criteria, the lack of any or all of them would mean a deficit in statehood, so that the state in question would have to be classified as weak, failed, or collapsing. A strategy developed by USAID measures fragility by the efficiency and legitimacy of a state, shedding light on four dimensions, the political, the economic, the social, and the security dimension.

Summing up, we may say that the discourse on fragile states is based on a concept of statehood which is linked to that of governance in several ways, with the latter term referring not only to the executive, judiciary, and legislative branches but also to those formal and informal processes in civil society and the private sector that are in some way related to governmental action.

Responding to the decreasing international engagement in problem countries, the World Bank convened a working group in 2001/02 to address countries with low per-capita incomes and/or high indebtedness, weak political designs, inefficient governmental structures, and a conflict-ridden situation. Together with the LICUS (Low Income Countries under Stress) Initiative, the group develops general principles for local engagement. For purposes of classification, LICUS uses the Country Policy and Institutional Performance Assessment (CIPA) although the unit does not draw up lists of these countries but rather a continuum of characteristics.

In 2001, the OECD introduced the term difficult partnerships. Related criteria include weak government performance, the subordination of development and poverty alleviation to the preservation of the leaders' power, the presence of corruption and political repression as common concomitants, and the great importance of civil society. The OECD plans to support these countries with particular diligence in creating vibrant civil societies and robust governmental structures.

Two attempts to categorise countries with difficult framework conditions should be mentioned in this context: The British DFID distinguishes between a) fragile, failed, or crisis states, b) poorly performing countries, and c) difficult aid partners. The EU, in turn, differentiates between a) effective partnerships, b) difficult partnerships, and c) post-conflict partnerships.

The instruments available for cooperating with efficient partners and maintaining a sustainable commitment in fragile countries have stood the test of time. The matter is more difficult in countries with bad governance, for which the EU demands a policy catalogue while the OECD has developed 'key principles'. German development policy should appreciate the following recommendations: 1) sustainable engagement in poorly-performing bad-governance countries is important; 2) harmonising the engagements of all donors is essential; 3) regional organisations should be involved in the political dialogue with problem partners who are members; 4) the structure of Germany's bilateral cooperation should be stringent and coherent; and 5) non-governmental players should be taken into consideration whenever a difficult partner country strains cooperation capabilities to the limit.

To be sure, it is easier to cooperate with countries that are distinguished by good governance. At the same time, it is also important to face up to the challenge posed by problem countries, especially because China is extending its engagement in difficult countries while the development policy of the USA remains focused on good performers. Finally, neither Germany nor the international community should lose sight of their own interest in stabilising difficult partner countries. Against this background, the imminent G8 summit meeting at Heiligendamm with its focus on Africa certainly offers a valuable opportunity.