

# Power, Money, Values and the Common Good

WHAT POLITICS IS AND WHAT IT SHOULD BE

**The topic of today's discussion deals with "good governance", an issue that has become a key element in international development work in the last years.**

It is difficult to imagine the development policy discussion today without the catchword "good governance". It crops up in all key international and national declarations. According to the Millennium Declaration by the United Nations, good governance is a prerequisite for sustainable development and the achievement of millennium objectives.

Former UN General Secretary Kofi Annan once said: "Good Governance is perhaps the single most important factor in eradicating poverty and promoting development." And he is not the only one with this point of view: Especially the World Bank as one of the biggest donors of development aid has promoted this approach in the recent years. Likewise the German government and the European Union emphasize the promotion of good governance as a central instrument for reducing poverty.

This explains why it is accorded such importance as a criterion when it comes to awarding funds in bilateral and multilateral development cooperation. But what exactly is behind the term? What aspects does it include?

Good governance is clearly a very central aspect in the interaction between state and civilian society such as rule of law, preservation of human rights, democracy and citizen participation. These are all elements

designed to ensure that the fruits of government action reach the majority of the population.

In other words: economic growth and poverty reduction can best be achieved sustainable where human rights are observed, there is independent media, reliable political conditions prevail, the administration works effectively and transparently, rule of law is guaranteed and political power and public resources are responsibly dealt with – in short: where there is good governance.

Let's look a little bit closer to the definition of this term.

## I. DEFINITION OF "GOOD GOVERNANCE"

What do we mean by "good governance"? Governance describes the process of decision-making and the process by which decisions are implemented (or not implemented). Hereby, 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. It defines an ideal which is of course difficult to achieve in its totality in practical work. However, to ensure sustainable human development, actions must be taken to work towards this ideal.

The Cambodian government has a similar approach using the so called "rectangular strategy". The Rectangular Strategy has

governance at its core. But it also focuses on the desired environment to implement the strategy, and on promoting economic growth through agriculture, infrastructure, private sector growth and employment, and human resource development.

Here is the strategy in detail:

1. Control of corruption (creation of an independent research body and a crackdown on corruption; organization of a transparent system of public funding management and concession attribution)
2. Legal and judicial reform (creation of a state of law, drawing up and vote on civil and criminal codes, creation of specialized courts, particularly for commerce and business, independence and neutrality of the judiciary)
3. Administrative reform (professionalisation and neutrality of the civil service and public services) including devolution and decentralization (Provinces, towns, districts and rural councils)
4. Reform of the armed forces (reorganization and professionalisation of army and police personnel) and demobilization of surplus personnel (attribution of land, social concessions, training and professional rehabilitation)

According to the Cambodian government, these major objectives can only be achieved if the conditions linked to the social and economic environment are fulfilled:

1. Peace, political stability and public order by restoring the confidence of working populations and both national and foreign investors
2. Partnership for development (close cooperation between the state, the donor community, civil society and the private sector)
3. Macroeconomic environment (growth rate of 6%, market-based exchange rate, inflation down to one figure, gradual prudent withdrawal from the dollar system) and a fiscal framework favourable for develop-

ment (equitable broadening and consolidation of the taxation base, control of tax evasion and of the exemption culture, transparency of customs and budgetary affairs)

4. Regional and global integration (recognition of the importance of world trade for economic development; active contribution to the policies and actions of the ASEAN, particularly in economic issues; confirmation of WTO membership)

## II. WAYS TO "GOOD GOVERNANCE"

Good governance can be understood as a set of 8 major characteristics. These characteristics need to be fulfilled in order to obtain "good governance". Let's look at them now:

### 1. Participation

Participation by both men and women is a key cornerstone of good governance. Participatory democracy is a process emphasizing the broad participation (decision making) of constituents in the direction and operation of political systems.

It strives to create opportunities for all members of a political group to make meaningful contributions to decision-making, and seeks to broaden the range of people who have access to such opportunities.

### 2. Rule of Law

The rule of law, in its most basic form, is the principle that no one is above the law. The rule follows logically from the idea that truth, and therefore law, is based upon fundamental principles which can be discovered, but which cannot be created through an act of will.

Perhaps the most important application of the rule of law is the principle that governmental authority is legitimately exercised only in accordance with written, publicly disclosed laws adopted and enforced in accordance with established procedural steps that are referred to as due process. The principle is intended to be a safeguard

against arbitrary governance. The rule of law is hostile both to dictatorship and to anarchy. It also requires the full protection of human rights, particularly those of minorities. Impartial enforcement of laws requires an independent judiciary and an impartial and incorruptible police force.

### 3. Transparency

Transparency implies openness, communication, and accountability. Transparency is introduced as a means of holding public officials accountable and fighting corruption. It means that information is freely available and directly accessible to those who will be affected by such decisions and their enforcement. When government meetings are open to the press and the public, when budgets and financial statements may be reviewed by anyone, when laws, rules and decisions are open to discussion, they are seen as transparent and there is less opportunity for the authorities to abuse the system in their own interest. Transparent procedures include open meetings, financial disclosure statements, the freedom of information legislation, budgetary review, audits, etc.

But:

Transparency cannot exist as a purely one-way communication. If the media and the public know everything that happens in all authorities and administrations there will be a lot of questions, protests and suggestions coming from media and the public. People who are interested in a certain issue will try to influence the decisions.

Modern democracy builds on such participation of the people and media. There are, for anybody who is interested, many ways to influence the decisions at all levels in society.

### 4. Responsiveness

Responsiveness of institutional bodies of a state means fast political reaction to the needs of the citizens and actual problems. Institutions try to serve all stakeholders within a reasonable timeframe.

### 5. Consensus Orientation

There are several actors and as many view points in a given society. Good governance requires mediation of the different interests in society to reach a broad consensus on what is in the best interest of the whole community and how this can be achieved. It also requires a broad and long-term perspective on what is needed for sustainable human development and how to achieve the goals of such development. This can only result from an understanding of the historical, cultural and social contexts of a given society or community.

### 6. Equity and inclusiveness

Justice deals with the proper ordering of things and persons within a society. As a concept it has been subject to philosophical, legal, and theological reflection and debate throughout history.

Justice is concerned with the proper allocation of good things - wealth, power, reward, respect - between different people. So, for instance, egalitarianism is a theory of justice which says that the proper distribution of wealth (and perhaps other goods) is an equal distribution: no-one in the relevant group should have more or less than anyone else in that group.

The source of justice has variously been attributed to harmony, divine command, natural law, or human creation. It may be considered subordinate to a different ethical value. Inclusiveness depends on ensuring that all its members feel that they have a stake in it and do not feel excluded from the mainstream of society. This requires all groups, but particularly the most vulnerable, have opportunities to improve or maintain their well being.

### 7. Efficiency

Good governance means that processes and institutions produce results that meet the needs of society while making the best use of resources at their disposal. The concept of efficiency in the context of good governance also covers the sustainable use of na-

tural resources and the protection of the environment.

## 8. Accountability

Accountability is the key requirement for good governance. Accountability is the acknowledgment of responsibility for actions, decisions, and policies. Governmental institutions as well as the private sector and civil society organizations must be accountable to the public and to their institutional stakeholders.

In general, organizations and institutions are accountable to those who will be affected by decisions or actions.

A basic practical example of good governance would be where a member of a committee, with a vested interest in a topic being discussed at committee, would absent themselves from the discussion and not attempt to exert influence. Accountability cannot be enforced without transparency and the rule of law.

### Interim Result

When talking about good governance, one should always keep in mind: From the above discussion it should be clear that 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. However, to ensure sustainable human development, actions must be taken to work towards this ideal with the aim of making it a reality.

## III. HOW CAN A BETTER GOVERNMENT BE ACHIEVED?

### 1. Values and objectives in a society

A good government mirrors to a certain extent the values and objectives of a society and represents them. Who generates values and objectives? And who has the power to implement them?

Here we see major stakeholders that shape a society:

- political parties
- religious groups
- educational system (universities, schools and kindergartens)
- trade unions
- the media (the press, TV, internet)
- the family and the elderly
- friends and further relatives

### 2. Who can implement these values?

Basically all groups taking part in political and social life with a certain significance (=power through money, education and size of the group) can raise their voice successfully. These networks have to have a relevant size covering a wide range of social tendencies. But also families and friends as the smallest entity of society have a tremendous positive impact to be a model to strive for.

## IV. THE CITIZEN AND THE SOCIETY

### 1. Towards better governance in the society

How does the citizen's contribution to a vital society look like? Good governance can not only come from a top down approach. It is the citizen who has to start this process. The citizen has to care about the society he lives in: By participating in elections actively and passively and by being a member of civil organisations like the church, organisations or political parties. Action of different groups helps to find compromise and consensus in a society.

### 2. How to influence a government?

It might be hard to influence a bad government, but public pressure from various political groups is certainly a key issue. This can be done by training and information of important stakeholders in society. Capacity building can come from foreign institutions. Foreign institutions have a different point of view and can bring new ideas to the stakeholders. Capacity building does not only mean training and information. It also means to offer substantial funds to empower groups to pursue their ideas in society. It would certainly be ideal to influence

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groups from various backgrounds to achieve equilibrium in the respective society.

As we say in Europe: "Rome wasn't built in one day". This signifies that it takes long time to reach change. Cambodia is certainly now in a painful transition process. But overall on a good way to a better society based on justice and the rule of law. We have to be patient, but we must not forget that we all form the society and it is on us to bring about change and push the society forward.