



# Governance & Public Policy

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# Basic Concept of Governance

## Chapter 1

- Origin & History
- The concept of Governance is as old as human civilization
- Governance Vs. Government
- Govt. one of the actors of Governance
- What are other actors?
- Political parties , Military , Civil Society.....
- Governance & the World Bank

# Governance, Origin & Definition

- “The manner in which power is exercised in the management of a county's economic and social resources for development”(Source WB, 2004)
  - History – Bretton Woods Institutions July 1944
  - Other Bretton Woods Institution ?
- The process of decision-making and the process by which decisions are implemented (or not implemented) UNO

# Governance – Defined

- Governance is the system of values, policies and institutions by which a society **manages its economic, political and social affairs** through interactions within and among the **state, civil society and private sector**
- It comprises the mechanisms and processes for citizens and groups to **articulate** their interests, mediate their differences and exercise their legal rights and obligations
- Governance, including its social, political and economic dimensions, operates **at every level of human enterprise**, be it the household, village, municipality, nation, region or globe
- Source – UNDP Strategy Note on Governance for Human Development (2004)

# Good Governance

- The United Nations' Commission on Human Rights identifies transparency, responsibility, accountability, participation, and responsiveness as key attributes of good governance
- The exercise of power in an effective, equitable, honest, transparent, and accountable way (The Canadian International Development Agency)
- Good governance is increasingly seen as essential for ensuring national prosperity by increasing the accountability, reliability, and predictability of decision making in governments, corporations, and nongovernmental organizations

# Characteristics of Good Governance

1. Participation
2. Rule of law
3. Transparency
4. Responsiveness
5. Equity
6. Effectiveness and Efficiency
7. Accountability
8. Strategic Vision

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- The UN Development Program (1997)



# Characteristics of Good Governance

## 1. Participation

- What is Participation?
- Inclusiveness & Pluralism
- Minorities---- voices of the Unheard
- Participation across Sex, Class, Race
- Organizations that encourage participation
- Sacrificing some decision making authority by empowering other actors
- Rights of freedom of association and expression
- To participate in organized civil society without fear of retribution or the stigma of being labeled unfairly as a “special interest” group

# Characteristics of Good Governance

## 2. Rule of Law

- Good governance requires fair legal frameworks that are enforced impartially
- Good governance means that a country's legal environment should be conducive to development
- Where the rule of law exists, it is easier to manage potential conflicts during a crisis
- An effective rule of law can also support reforms or adaptation processes within state government performance
- Organizations must work within legal frameworks
- The rule of law must prevail and be overseen by an independent judiciary and an incorruptible police force
- Protection of human rights, particularly those of minorities

# Characteristics of Good Governance

## 3. 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 their enforcement
- It also means that enough information is provided and that it is provided in easily understandable forms and media
- Transparency in decision-making processes so that interested parties can understand the bases of decisions and monitor progress
  - Article 19(A)- of the Constitution of the Islamic Republic of Pakistan 1973
  - The Right of Access to Information Act- 2017

# Characteristics of Good Governance

## 4. Responsiveness

- Good governance requires that institutions and processes try to serve all stakeholders within a reasonable timeframe
- Good governance is about building trust and ensuring that all stakeholders are treated fairly
- To achieve these goals, organizations must have the technical and managerial competence to respond in a timely manner



# Characteristics of Good Governance

## 5. Equity

- A society's well being 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
- Sustainable human development and fairness of outcomes
- Spirit of cooperation and mediation to ensure that organizations must treat all stakeholders consistently and fairly



# Characteristics of Good Governance

## 6. Effectiveness and Efficiency

- **Effectiveness** is the degree to which an institution's objectives are achieved
- **Efficiency** is the ratio of produced outputs (or what has been achieved) to the resources used to create them (money, time, labour, etc.)
- Good governance means that processes and institutions produce results that meet the needs of society while making the best use of resources at their disposal
- The concept of efficiency in the context of good governance also covers the sustainable use of natural resources and the protection of the environment

# Characteristics of Good Governance

## 7. Accountability

- Accountability is a key requirement of good governance
- Organizations must be accountable to the stakeholders they serve
- Not only governmental institutions but also the private sector and civil society organizations must be accountable to the public and to their institutional stakeholders
- Organizations should be accountable to those affected by the entire range of decisions or actions made and implemented by an organization
- Organization or an institution is accountable to those who will be affected by its decisions or actions
- Accountability cannot be enforced without transparency and the rule of law.

# Characteristics of Good Governance

## 8. Strategic Vision

- Good governance is about stewardship
- Good governance requires that all decisions be made within a framework that is outward looking and future-oriented
- Decisionmakers should have a broad and long-term vision on how to improve the processes of governance to ensure continued economic and social development
- Processes must be in place to ensure the most productive use of resources



# Collapse / Failure of Governance

- During times of crises, the resilience of nations is manifest in their ability to anticipate and prepare for shocks and effectively manage crises – **Failure to anticipate & prepare**
- The ability of governments to design and implement the right combination of short- and long-term policy measures is critical for progress – **the inability to design & implement short & long term measures**
- Lack of specific **technical capacities** in the organizations and institutions at the front lines of the crisis response- **lack of technical capacities**
- Failure due to the overall dysfunction of country systems and institutional qualities, including skewed decision-making processes and absence of consensus building among key stakeholders, the broader political economy dynamics, and weak governance structures that largely shape institutions – **Dysfunctional systems**

# Collapse / Failure of Governance

- Absence of **Institutional qualities** like
- (a)performance, (b)adaptability, and (c) stability
- A) **Institutional performance** is the state's capacity to function and fulfil its obligations towards its citizens
- Institutional performance is the foundation of the state's capacity to manage its **executive, legislative and judiciary functions**, to administer the **economy**, to deliver **social services**, to use **natural resources sustainably**, to ensure protection of **human, economic and social, and political rights**, and to provide **security** (UNDP 2010)

# Collapse / Failure of Governance

- **B) Lack of Adaptability** — In times of crisis, countries need institutions with the capacity to anticipate, adapt and respond to **changing needs and shifting priorities** -
  - Adaptability is an ability to perform in future conditions and to innovate to meet future needs (UNDP 2010)- **No adaptability**
  - Adaptable institutions are **flexible** and able to continuously invest in endogenous improvements, while anticipating and responding to crises with innovative solutions (UNDP 2010 and Killick 1995) – **Inflexibility**
- **C) Stability** — Stability is the degree to which an institution can decrease volatility of performance through institutionalization of good practices and norms - MoF
  - An institution can identify and mitigate internal and external risks – **instability**

# Indicators of Collapse / Failure of Governance

## 1. **Absence of a capable Civil Service (CS)**

- The major institution that is mobilized to respond to a crisis, the **civil service** at the national and local levels is a **key system** which is deployed by the state to fulfil its **obligations towards its citizens**
- To function effectively and reach its development agenda, a country must prioritize **investments in a professional, merit based** civil service – politicized CS- failure

## 2. **Absence of local governments (LGs)** **LGs are** responsible for overseeing or delivering basic social services, especially to the poor and other vulnerable groups – No Delegation of power

## 3. **Absence of Research** The capacity of institutions to provide **evidence based analysis** of the situation and sound policy options to address the crisis is critical – No Research

- In other words, the lack of a **predictable, coherent and functioning** bureaucracy / CS undermines the ability of developing countries to respond to crises (**The Challenge of 21st Century Development: Building Capability-Enhancing States**', UNDP, 17–19 March 2010)

# Collapse / Failure of Governance

- Summary / To sum up/ In a nutshell / To conclude
  - Absence of the main **governance principles** i.e. participation / inclusion, non discrimination/ equality and rule of law/accountability lead to failure
  - Weakness of the key country systems that are involved in a crisis response, such as the civil service, procurement mechanisms, public financial management systems and monitoring and evaluation systems results in collapse

# Want to Read ?

- <http://documents1.worldbank.org/curated/en/604951468739447676/pdf/multi-page.pdf>
- <http://documents1.worldbank.org/curated/en/711471468765285964/pdf/multi0page.pdf>

