INTRODUCTION [1]

Mark Robinson

It is almost six years since the good government agenda first surfaced as a prominent aid policy concern. Initially, the concerns of the academic and aid policy communities centred on the broader context which conditioned the form and content of this agenda, and on the different definitions employed by various aid donors.[2] The debate has since moved on, and two significant developments merit particular attention. The first is a shift in emphasis from negative or 'punitive' approaches, to a range of interventions in which sanctions have been replaced by positive aid measures and less threatening inducements to political and administrative reform. The second noteworthy feature is that donors have now accumulated significant experience in this field and have adopted a range of approaches and organizational procedures to enable them to implement good government programmes in a more systematic and informed fashion.[3]

1 NEW CONCERNS

A change in emphasis from the selective application of punitive measures through political conditionality to a more widespread use of positive forms of support has been a significant development in recent years. Political conditionality found favour with aid donors in the early 1990s as the preferred mechanism for encouraging recipient governments to introduce governance reforms. This made the provision of aid conditional on the willingness of governments to respect human rights, demonstrate progress on political reform, and overhaul their administrative procedures. Experience has shown that political conditionality has been applied fairly infrequently and in a limited number of countries. It has proved effective in promoting political reform when applied by donors acting collectively, especially in aid dependent countries in sub-Saharan

Africa, but elections have not always produced a change in government, as the case of Kenya vividly demonstrated. Some donors have acted unilaterally in applying aid sanctions to particular countries, but such actions have had little effect and, in some cases, have proved counter-productive. There is also a problem of credibility: countries which have been persuaded to opt for political reform through such pressure have not been rewarded with large increases in aid, which has fostered resentment and cynicism about donor motives among aid recipients.

These types of problems have encouraged donors to concentrate their efforts on promoting governance reforms through incremental, small-scale, measures in the form of support for civil society associations, strengthening the electoral process and promoting constitutional reform in preference to the negative approach implicit in political conditionality. Some donors, notably the Canadian government, have abandoned conditionality as a means to achieve political reform, and now focus their efforts exclusively on positive aid measures. Others, like the French, place less emphasis on the need for democratic reform as a pre-condition for development assistance. Political conditionality continues to be used, but usually as a last resort when conventional diplomatic approaches have failed, and in a more covert manner, without public declarations of intent.[4]

Another development since the agenda was first mooted lies in the improved capacity of aid donors to implement governance programmes. Most official aid agencies have adapted their internal organization in response to the policy emphasis given to good government and democracy promotion. In some cases this has involved the creation of a new

division, as in the case of SIDA, or the marginal reorganization and expansion of an existing department. In NORAD it has involved the creation of a network of staff from different divisions who are responsible for formulating and coordinating good government initiatives. Democracy assistance work sponsored by USAID is largely the responsibility of a Centre for Democracy and Governance established under the Clinton administration. Several donors have hired specialists in the fields of political science and public administration; for instance, USAID has established a network of governance advisers stationed in its field offices to advise on the design and implementation of regional governance programmes.

Despite these organizational innovations, aid agency capacity for the appraisal and design of good government interventions is still limited. There is no established method for surveying good government requirements in particular country or regional settings, to identify key areas of need and inform aid allocation decisions. Nor are there tried and tested procedures for eliciting the viewpoints of recipient governments and potential counterparts in civil society which might be expected to assume responsibility for implementing good government initiatives; consultation mechanisms are remarkably under-developed in view of the emphasis on accountability and transparency in the good government agenda. Part of the problem lies in the absence of suitably qualified individuals to carry out work of a sensitive political nature; most political scientists with relevant country expertise are not very conversant with aid agency procedures or policy priorities while evaluators and consultants who work on a regular basis for aid agencies lack the depth of insight and disciplinary background that the task requires. A related problem is the difficulty of devising an approach which can be applied in diverse country settings, since by their very nature, good government initiatives will need to be country specific in order to incorporate and respond to a particular set of cultural and historical circumstances that condition their potential effectiveness.

There is also the question of whether official aid agencies are adequately equipped to implement good government programmes. In the more conventional area of civil service reform, there is extensive experience of planning and implementing such programmes. But in the newer areas of support for civil society organizations and democracy

promotion experience is much more limited and aid agencies rely on third parties for much of the design and implementation work. Many of these programmes are small-scale and extremely varied in their character and objectives, and contain high levels of risk and uncertainty, unlike the majority of aid interventions that official aid donors are familiar with. For this reason, intermediate organizations such as NGOs, political foundations, and training institutes tend to be the preferred vehicles for performing this task, but even here experience is mixed and little is known about the impact and effectiveness of their work in the governance domain. Political foundations have often suffered from confusion over their status and suspicion over their motives and allegiances. NGOs have extensive experience in the areas of service delivery and the provision of humanitarian assistance, but few are geared up to implement democracy assistance and good government programmes. Overall, more information is required on the competence of various implementing agencies and the range of delivery mechanisms for good government interventions and several of the articles in this Bulletin directly address these questions.

With these developments in mind, the various contributions in this volume focus on three main issues: questions of definition and content, the developmental consequences of democracy, and experience with implementing the good government agenda. They draw on the results of completed or on-going research at IDS, by political scientists and sociologists concerned with governance and democracy issues. Also included are contributions by researchers in Germany and the United States to provide critical insights on the approach and experiences of particular aid donors. Finally, as a means of illuminating the operational concerns of a major actor in the governance field, two staff members at the World Bank provide their assessment of the Bank's work to date in this area.

2 DEFINITIONS: THE GOOD GOVERNMENT AGENDA
Much of the interest in good government when it first appeared on the donor policy agenda was in the definitions ascribed to it by different donors. In the Introduction to the previous volume of the Bulletin on good government Mick Moore (1993b) distinguished two main currents reflecting the respective concerns of the World Bank on the one hand and

bilateral donors on the other. The former was essentially preoccupied with questions of financial accountability and administrative efficiency, whereas the latter were interested in wider, more political, concerns bound up with democracy, human rights and participation. In this volume, Stevens and Gnanaselvam discern some degree of convergence between the two positions, reflected in the willingness of the World Bank to acknowledge, at least conceptually, the significance of the form of the political regime from a governance perspective, and growing recognition on the part of bilateral donors of the importance of probity and competence in economic policy management. Despite this convergence, a distinction is sometimes made between the traditional agenda of institutional development and capacity building (covered by Moore and Stevens and Gnanaselvam), and a newer agenda represented by democratization, decentralization, demilitarization, strengthening civil society and the promotion of human rights (see the contributions by Carothers, Luckham, Manor and Robinson). However, this distinction is perhaps over-stated, since proponents of the former would point to new concerns such as accountability and transparency, and aid agency concern with human rights predates the governance agenda by a number of years.

Several documents recently published by aid donors attest to this broad convergence in thinking about good government. One of the most important of these, is the **DAC Orientations on Participatory Development and Good Governance**, published in 1994 by the OECD, which is indicative of the general stance of the bilateral aid donors. It provides the focus for the article by Peter Nunnenkamp, in which he subjects the various topics covered by the DAC paper to critical scrutiny. While endorsing the broad agenda, Nunnenkamp draws attention to a number of inconsistencies between participatory development and the efficiency of aid projects on the one hand, since the former can entail a time-consuming negotiation process, and democratization and good governance on the other in the light of East Asian experience. The agenda is further complicated by public sector reform, in which there is a conflict between calls for a reduction in the size of government and the need for competent governments to be sufficiently strong to withstand well organized pressure groups, which are seeking greater participation in decision making. Mick Moore highlights another area of analytical confusion, namely that concerning institution building,

which he argues is an extremely elusive and problematic concept, which should be dispensed with in favour of terms with further precise and identifiable meanings. Nunnenkamp argues that ambiguities and inconsistencies in the donor agenda are problematic in that they do not easily translate into coherent strategies to guide aid policy and practice, and can undermine the credibility of donor intentions.

Robert Jenkins also addresses some of these conceptual tensions in his examination of the political management of structural adjustment in India. Here we have an example of a long-standing liberal democracy which has sustained the momentum of economic reforms in a volatile political environment. This was not achieved by means of transparent and accountable government, but rather through astute political manoeuvring by political leaders using well honed Machiavellian tactics to assuage potential sources of opposition and to promote incremental change while maintaining an appearance of continuity. Central to this political capacity is a federal political system which permits reformers in central government to spread the burden of conflict resolution over a wider institutional base, by involving state governments in mediating conflicts of interest over liberalization measures at a more localized level. Although India's success in managing the implementation of politically sensitive reforms demonstrates the virtues of liberal democracy, it also suggests that competence and transparency are not necessarily natural bedfellows.

A further consequence of convergence in thinking among donors is that linkages between good government and other elements of the development agenda are not well established. This is most readily apparent in the lack of convergence between the governance and the poverty agendas of the World Bank. Anne Marie Goetz and David O'Brien show how the governance agenda has been developed in almost complete isolation from the World Bank's work on poverty reduction. The governance agenda is dominated by concerns with the efficiency and accountability of public institutions (see Stevens and Gnanaselvam in this volume), while the poverty agenda is preoccupied with labour-intensive growth, improved service provision and safety nets, with minimal attention to the need to reorient public institutions to respond to the interests of the poor, although the latter is a central concern in the DAC's approach to good governance. Both agendas are

criticized for failing to address political issues underlying distributional inequalities, which are sidelined in favour of a managerial approach to governance and poverty reduction. This failure to acknowledge the centrality of politics is also touched on by Jenkins, who argues that more attention should be given to linkages between national, sub-national and local political arenas which can share the burden of conflict resolution in the interests of promoting political stability.

Another angle on definitional issues is brought out in my own contribution on donor efforts to strengthen civil society in developing countries. In line with a pluralist definition of democracy, the emphasis is on civil society as a neutral terrain, where organized interests try to influence the state and its policy choices. A failure to acknowledge the existence of conflict in civil society, in which power-ful groups can subvert democracy for self-interested ends, can result in external interventions which heighten societal tensions and retard democratic development.

A final point to note is that there has been precious little input into the discussion on what constitutes good government by aid recipients, which has mostly taken place within the donor countries and official aid agencies. However, the good government de-bate is no longer confined to donors, and NGOs have increasingly sought to influence the content of the policy agenda, by highlighting the linkages between development concerns and human rights, defined broadly to include social and economic as well as civil and political rights (Clayton 1994).

3 DEMOCRATIZATION: CONSEQUENCES FOR DEVELOPMENT

Much of the governance debate has centred on the prospects for democratic development and what donors can do to promote democratization in devel-oping countries. The second question is addressed more fully in the next section, but two of the contri-butions examine the developmental consequences of democracy. Much the initial impetus behind donor concern with democracy (especially among the bilateral agencies) stemmed from policy re-sponses to a wave of political transitions in Eastern Europe and Africa from the late 1980s (Robinson 1993), and its momentum has been sustained by three principal factors: a strong perception among some donors, notably the United States, that

democracy in developing countries serves national security interests (see Carothers in this volume); an association of democracy with positive develop-ment outcomes; and the belief that democracy is desirable in its own right. All these factors underpin the arguments put forward by the DAC and bilateral donors in their rationale for including democratiza-tion within the governance agenda.

A prior question concerns the extent to which there has been a genuine transition to democracy in countries in Africa and elsewhere which rejected authoritarianism as a result of a series of popular upsurges against military dictatorships and auto-cratic civilian regimes. Robin Luckham raises seri-ous doubts about this process in his contribution, arguing that relatively few African countries have been able to consolidate democratic rule since un-dergoing political transition. He points out that even among these countries, several continue to be plagued by military indiscipline and civil unrest which provide no certainty that the fragile process of democratization will be sustained. Elsewhere, democratic reforms have been coopted by existing ruling élites or stalled by authoritarian regimes which have been unwilling to cede power to elected civilians which underlines the centrality of ongoing struggles by domestic groups to consolidate demo-cracy. These qualifications also cast some doubt over the unalloyed optimism exhibited by some donors in their desire to see democracy spread and take root in Africa as the panacea to the continent's economic and political misfortunes.

Returning to the first of the two questions raised earlier, even where there have been genuine moves towards democratic governance, what are the con-sequences for development? Jenkins provides an upbeat assessment of the importance of multi-party democracy in India based on the ability of the regime to manage politically sensitive economic reforms using the advantages conferred by a federal-ism and a mature political society under established liberal democracy. At the same time, he cautions against attempts to replicate virtues of India's political system in other contexts, arguing that democracy in India is both historically contingent and shaped by the form of the state in the post-independence period.

Two of the contributions challenge the increasingly widespread assumption that there is a positive relationship between democracy and development.

Gordon White questions the validity of this assumption, arguing that there are at least four conflicting viewpoints: first, liberal democracy is a powerful stimulus to development, because it is conducive to market-led approach and creates the conditions for more efficient government; second, democracy is desirable in the longer term but is a potential impediment in the earlier stages of development; third, one should not expect too much from democracy since legitimacy derives less from performance and more from respect for democratic procedures; and fourth, the view that it is state capacity and governance rather than the nature of the political regime which is the central issue. Both White and Nunnenkamp emphasize the significance of the East Asian experience in this regard, in that development success preceded democratic transition, which in turn questions a fundamental tenet of the governance agenda, namely the belief that competence in economic affairs is exclusively the prerogative of liberal democracies. But this is not to dismiss the potential that democracy might have for promoting development; rather it signals the need to actively 'design' a state that is both developmental and democratic, where development is not simply couched in terms of economic growth, but in which poverty, distributional justice and environmental sustainability figure as prominent concerns linking both components. The notion of agency takes us on to the second question, namely what is the role of donors and other actors in helping to design developmental democracies? This is addressed by a number of contributors to this Bulletin who review experience with the implementation of the donor agenda on democracy and good government, by examining concrete approaches in this field.

4 IMPLEMENTATION: EXPERIENCE WITH DEMOCRACY AND GOVERNANCE PROGRAMMES

A distinction was made earlier between more traditional approaches encapsulated in institutional development and administrative reform and a set of measures designed to promote democracy and strengthen civic associations. In practice Moore argues that positive support for good government embraces a wide variety of projects designed to improve the institutional capacity of various types of organizations and institutions. These include the following: state administrative machinery; state policy making units; political parties; human rights organizations; civil society organizations; legislative, electoral and judicial institutions; the police and security services; and the mass media.

Although democracy promotion is relatively new to many bilateral aid agencies in Europe, it has figured as an aid policy concern in the United States since the early 1980s. As Thomas Carothers shows in his contribution, the promotion of democracy was closely tied to anti-communism in the Reagan years, but was given greater emphasis by Bush and then Clinton with the end of the Cold War. Democracy assistance programmes are designed to support electoral processes, promote judicial reform, strengthen civic associations, and enhance civic and political education. Much of this is channelled through NGOs and specialist foundations, but with an increase in official funding for democracy promotion, USAID is becoming increasingly involved in such initiatives. This has given rise to concerns that too many US organizations are now active in this field, that there is insufficient evidence on the impact of democracy assistance programmes, and that programmes were poorly conceived, because they failed to take into account the complexities of the democratization process.

One area of democracy assistance that has commanded considerable attention among donors, is the potential for consolidating democracy through support for civil society organizations, which are taken to include trade unions, churches and religious organizations, business and professional associations, and mass organizations representing women, youth and students. As Carothers argues, this approach has particular appeal in the United States, where non-partisan political activity is treated as an intrinsic and highly desirable feature of domestic politics. It has also caught on with other donors who are busily devising programmes to strengthen civil society organizations but without much idea of their likely impact. In his contribution Mark Robinson considers the potential pitfalls of this type of assistance, arguing that donors are not well equipped at present to design and implement such programmes. He points out that while strengthening civil society is a laudable objective, donors need to adopt a cautious and incremental approach in order to avoid undermining the autonomy and legitimacy of recipient organizations, since they cannot readily absorb large amounts of funding and it takes time for the fruits of their endeavours to become apparent.

Donors are also taking an interest in the contribution that aid can make to demilitarization, but experience in this area is still fairly limited. Luckham argues that there is limited scope for donors to push for military cuts through aid conditionality, since countries which spend large amounts on the military tend to be resistant to external pressures for military reform. There are more positive measures that donors can adopt to promote military reform, including support for demobilization and attempts to professionalize military and security establishments, but such efforts have been sporadic and donors have to avoid forms of support which aggravate underlying political conflicts. Stevens and Gnanaselvam also address the question of military expenditure in their contribution. While acknowledging that high military expenditure crowds out spending on social services and infrastructure, they argue that it might be more productive to focus on the process by which military budgets are determined (for example by encouraging wider public debate, publication of detailed financial accounts and strengthening political oversight of the budgetary process) rather than on finding ways to reduce expenditure *per se*.

Two of the contributions highlight the importance of measures designed to strengthen capacity at lower levels of the political system in order to broaden political participation and spread the burden of conflict resolution. Jenkins' observations on the resilience of India's federal political system have already been touched upon in this regard. James Manor reports on the results of comparative research in two African and two Asian countries to demonstrate the benefits and limitations of decentralization for the promotion of democratic governance. The positive attributes of democratic decentralization are that it can encourage greater political participation and increased responsiveness on the part of government institutions. It can also improve the performance of government institutions by increasing information flows, reducing absenteeism and, under certain circumstances, by helping to curb corruption. But decentralization also falls short of expectations on a number of counts. For instance, it is unrealistic to expect decentralization to facilitate bottom-up planning. Nor is it realistic to expect decentralization to contribute to efforts to promote local-level resource mobilization. Finally, and perhaps most disappointingly, decentralization was not found to have enhanced the effectiveness of government

institutions in alleviating poverty and assisting vulnerable groups. In view of the difficulties encountered in making decentralization work well, Manor emphasizes the importance of two factors: decentralized institutions must be accountable and elected councils require an adequate level of resourcing to enable them to function effectively.

In his contribution Moore examines aid agency experience with institutional capacity building, or what is more commonly known as institutional development. Most positive support for good government is centred on institutional development, but experience shows that institution building activities have proved problematic for aid agencies. Moore makes four claims in support of this contention: despite long experience in this field, the achievements have not been very impressive; conventional methods of delivering technical assistance for institution building have been widely discredited; there is considerable uncertainty and disagreement on the meaning of the term; and the successful promotion of institutional development may require donors to intervene directly in the affairs of recipient nations. From this experience Moore concludes that aid agencies will need to become more deeply involved by improving their knowledge of the political context in which they are working, and to pay more attention to political analysis in project design. By implication, new models of delivering technical assistance are also required, with long term twinning relationships between organizations as the only substantial alternative available.

The final contribution in this volume is by two staff members at the World Bank, who reflect, in a personal capacity, on the World Bank's experience in this complex and difficult field. Three particular features stand out, which are indicative of how the governance agenda has moved on since it was first mooted. First, although the Bank is principally concerned with the economic and social dimensions of governance, its remit now extends well beyond narrow concerns of administrative effectiveness to embrace legal reform, participation, human rights, military expenditure and corruption. Second, while its mandate prohibits explicit consideration of political considerations in lending decisions, recognition is given to the form of the political regime in giving practical application to the governance concept, even though human rights and democracy are largely seen as the prerogative of the bilateral

donors. Third, the governance concept was initially conceived in relation to institutional and political weaknesses in developing countries but in the face of public criticism, especially from northern NGOs, of the lack of transparency in the World Bank's own operating procedures, measures have been taken to make the Bank a more open and accountable institution. These have taken the form of a more active disclosure policy on country reports and project documents, and improvements in the Bank's internal management procedures.

5 CONCLUDING REMARKS

In view of the content and breadth of the contributions to this Bulletin it is difficult to find a satisfactory way of pulling together common threads and policy lessons. All are concerned with various strands of the aid policy agenda embraced by good government, either in terms of definitions, its developmental consequences and experience of implementation. It is striking that while many of the contributions highlight problems encountered by donors in implementing the agenda few question its underlying premises and legitimacy, even though some commentators remain sceptical about donor motives (Leftwich 1993, Jeffries 1993). Most contributors recognize the implicit virtues of democracy and good government, but there is considerable doubt expressed about the capacity of aid donors to satisfy their high expectations in relation to the successful realization of governance policy objectives, either because they are perceived to lack the requisite skills and orientation, or because the political obstacles are more formidable than commonly anticipated.

In contrast to the expectations of many commentators (including a number of contributors to the previous volume of the Bulletin dealing with good government), the tenor of this volume suggests that the governance agenda is here to stay, and indeed it has persisted longer than many of its detractors originally anticipated. As experience of implementing democracy and governance programmes accumulates, a greater sense of realism is likely to be injected into aid agency objectives, and a longer-term perspective may gradually emerge. But this is likely to conflict with the desire to demonstrate quick results, especially in aid agencies under pressure from sceptical publics and governments contemplating cutbacks in foreign aid programmes. Moreover, now that the euphoria which greeted

the wave of political transitions in Africa and elsewhere in the developing world has begun to recede in the face of democratic reversals or blocked transitions, donors will need to be less sanguine about the potential impact and sustainability of externally induced transition and positive aid measures. This might necessitate a more focused approach, in which countries that hold real prospects for democratic consolidation are singled out for positive forms of assistance along with increased levels of con-ventional development aid, and where regimes which have transgressed democratic norms and procedures, or abused human rights in a gross and sustained manner, are subject to reductions in development assistance and various forms of aid conditionality.

However, broad support for the overall thrust of the policy agenda (or at least agreement on the desirability of democratic development and more open and accountable government) does not imply endorsement of the definitions and approaches currently employed by aid donors. Indeed, several of the contributions reveal sharp disagreement with the prevailing orthodoxy. If anything unites the various contributions, certainly those from outside a donor perspective, it is that current approaches fail to recognize the centrality of politics and power, and by extension, the importance of political analysis in deepening the agenda and in enhancing its potential impact. Much of the agenda continues to be couched in neutral terminology which both obscures conflict and underestimates political resistance from vested interests opposed to democratic development and the dilution of power and domination that it necessarily implies. This is of course understandable from the point of view of the *realpolitik* of aid transactions, where the provision of aid rests on delicate government to government negotiations. But it does not obviate the need for improved capacity for political assessment and political analysis in project design: without this many interventions are destined to founder and fall short of their ambitious objectives.

There are several components of the governance agenda which have not received adequate treatment in this Bulletin, but which will receive due consideration in ongoing or future work of various contributors. First is the absence of a gender perspective and the potential insights that it can offer with a view to widening the governance agenda: although it receives only scant attention here, it is

a central theme of the next Bulletin which focuses on gender and institutions. A second omission is that of global governance, which forms the theme of the report prepared by a special Commission under Danish Prime Minister Ingvar Carlsson and released for public consumption as this Bulletin was being completed. Concerns with transparency and accountability of international organizations (especially the UN and the Bretton Woods institutions), and global economic policy management have not figured prominently in this volume but will continue to inform the work of contributors concerned with broadening and deepening the governance agenda. Third, Eastern European and developing *country perspectives are notable by their absence here: greater involvement by researchers from these* two regions in this agenda is clearly an essential prerequisite for widening existing knowledge on the impact and consistency of governance and democracy programmes, and opportunities must be created to secure this involvement and to create a platform for disseminating views and experience from recipient countries.

Finally, a few comments on prospective areas for further research. In the workshop that provided a backdrop for this volume, three such areas were highlighted, some of which form the subject of ongoing research at IDS: studies of 'best practice' and distillations of the lessons of experience; research on the developmental potential of different forms of democracy; and more systematic assessments of the impact and effectiveness of governance and democracy assistance programmes. These are far *from comprehensive, and at best provide some pointers about the way forward in research terms,* but in view of gaps in existing knowledge and the limitations of current conceptual frameworks, much remains to be done.

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