

## CHAPTER – 2

### Good Governance : An Overview

The term “Good Governance” is a mixture of two words as (*Good + Governance*), which simply refers to a good or effective management of every sphere in a particular country and Public Institutions and Governmental organs of there<sup>1</sup>. We should not understand that such concept belongs to the Political sphere only, but we may understand such concept’s relevance in other spheres of the country as in Social, Economical, Corporate, Cultural, International Relations also. The History is witness that it was the Economical factors, responsible for the origin of such concept, for example - in India, after *Economic Reforms of 1991* the concern of the government went towards the ideal of Good Governance in the democracy<sup>2</sup>.

Now in the Contemporary era , Good Governance has become an prominent issue for the developed or developind republican democracies of the world. Every Governance iin the modern time, is concerned with making or executing various policies and programmes in their particular regime having the approach to achieve such ideal of Governance.

#### 2.1 Government, Governance and Good Governance-

Whenever we talk about the Government and Governance, many of us consider both the concepts, similar to each-other. But the fact is that, among both concept, one is centered only on one aspect and the other one covers each aspect of an individual’s life. In brief we may say that- Government is the concept having concern on Political aspect of a particular country, whether Governance centres it’s concern on every aspect of that particular country, for Example- Social, Economical, Cultural as well as Political aspect <sup>3</sup>.

However it has been issue of concern from the centuries to make Governance in a ideal form, as it would reflect the nature of a state authority or may carry the dignity, power or respect for it. In the modern time such ideal of a Governance is termed as the “Good Governance”.

Good Governance, from the 20<sup>th</sup> century, has emerged as the issue of concern and challenge to the most developed and developing countries of the world. For the

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further discussion on Good Governance, it would better to go through the all definitions of such relevant concepts, as defined following-

### **A. Government -**

A Government has been one of principle concern of political analysis through the ages, from Socrates, Plato to the modern time. Government in it's broadest sense, refers to any mechanism through which ordered rule is maintained, it's central features being the ability to make collective decisions and the capacity to enforce them.

***“That Government is best, which governs not at all” (Henry David Thoreau, Civil Disobedience, 1849)***

However the term is more commonly understood to describe the formal and institutional processes that operate at the National level to maintain public order and facilitate collective action. The core functions of government are thus to make law (Legislation), implement law (Execution) and interpret law (Adjudication). In some case, the political executive is referred to as the government (***Andrew Heywood, Introduction to Politics, 2013***)<sup>4</sup>.

“A Government consists of institutions, responsible for making collective decisions for society. In brief a government refers to the top political level within such Institutions” (***Hague & Harrop, 2013***)<sup>5</sup>. In popular definition, the Government refers just to the highest level of political appointments : to presidents, prime ministers and others at the apex of power. But in wider sense, Government consists of all organizations charged with reaching and executing decisions for the whole community. The Police, the Armed forces, Public Servants and Judges, all form the part of government, even though such officials are not usually appointed by political methods such as election. In this broader conception, Government is entire terrain of institutions, endowed with Public authority. In the Historical context, one of the most exponent of such concept, ***Thomas Hobbes (1651)***, judged that- ***“Government provides us with protection from the harm that we would otherwise inflict on each other in our quest for gain and glory”***. In Modern time, A Government offers the security and predictability to those, subject to it. ***John Kenneth Galbraith (1973)*** said

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that- *“the role of the government, when one contemplates reform, is a dual one. The government is a major part of the problem, it is also central to the remedy”*.

## **B. Governance -**

In Modern time of Globalization, Governance is taken as the concept, refers to the *“Management”* in all spheres of People’s life, either economic, political, social or cultural. Governance on the other hand refers to the interactive relation among the governmental organs and the people. However, Governance is not a new term to be used in modern time, but it is as old as human civilization itself. It is the term may be traced throughout the history of Nations or Greeks states and in the writings of scholars of the centuries. Socrates, Plato, Aristotle, Hobbes, Locke, Rousseau, Kautilya, Manu all have talked about the “Governance” and “ Good Governance” as may find- out from their works on States and Human- life. The main contentions of all such studies about the State, Public Administration and Governance, have been – *“How to bring more Welfare and Pleasure in Human - life”?* and thus in 1990’s Governance emerged in a new form of “Good Governance”.

The World Bank publication *‘Sub-Saharan Africa-from crisis to sustainable growth’, (1989)* defined governance as *“the exercise of political power to manage a nation’s affairs”*. Again in 1992 World Bank publication defines governance as *“the manner in which power is exercised in the management of a country’s economic and social resources for development”*.

Governance is concerned with a network of relationship between three actors- the State, the Markets and Civil Society. It is an interactive process wherein the government may like to impose it’s will, but this acceptance will depend on the compliance and actions of others.

The term “Governance” became part of Public- discourse in India only after the economic- reforms were introduced in 1991. Today, it is a buzzword used freely in most publications emanating from donor agencies, academics and planning or policy documents in India. It is heavily relied upon to explain developmental outcomes. The concept of “Governance” indicates a shift away from well- established notions of the way in which the government sought to resolve social issues through a top- down

approach<sup>6</sup>. *Rhodes* points out that- ***“Policy networks are also strategic alliances forged around common agendas of mutual advantage through collective action”***.

Today we use the “Governance” not only in the Political sphere but in various sphere such as International, National, Local, Corporate etc. Generally, it refers to the workability of any public institution and organization. *Vivek Chopra (2003)* has classified the two forms of “Governance” as the (1) Good (2) Bad. He further defines that- If it would able to make good effect and result than it is a “Good Governance” and if it would make bad and wrong impact than, it is a “Bad Governance”. However, before the existence of Modern Democratic Form of government, contemporary scholars of the world and also of India, made their deep thoughts around the concept of Good Governance.

### **C. Good Governance –**

The concept of Good-Governance has gained its prominence around the world as it has become synonymous to sustainable development management. The universally adopted features of Good Governance are considered as the exercise of legitimate political power; formulation and implementation of policies or programmes that are, equitable, transparent, non-discriminatory, socially sensitive, participatory and accountable to its people at large. The traditional view of Good Governance was that- a government must preserve the rule of law, engage in physical and social infrastructure development, provide enabling environment for growth and ensure civil and political freedoms. But today accountability, transparency, inclusiveness, equality, sustainable development, has become the key features of a Good Governance.

### **2.2 History of Good Governance -**

The origin of such concept may find out in the *Quran, Bible, Geeta, Vedas, Mahabharata* and also in the creation of greatest thinkers of the century like – Arthshastra of Kautilya, Republic of Plato etc. Throughout the such writings, we may find out that State’s main concern has went around to carry the ideal of Good Governance. As *Kautilya* in his *“Arthshastra”* expected the best behaviour from the king. He said – ***“In the welfare of the people, king’s welfare lies, whatever pleases the king is not good but what makes people’s good, should be considered good”***. M.

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K. Gandhi in his *“Hind Swaraj”(1909)* defined that – *“The actual meaning of “Good Governance” is that- all people may live their life in their own way of living, while maintaining the diversity of class, caste, status, community etc., in unity in a good manner”* <sup>7</sup>. *Yajurveda’s* 20<sup>th</sup> chapter reveals that –*“The government or state has three organs as- ‘ Vidhya Sabha’, ‘Dharma Sabha’ and ‘ Rajya Sabha’ and all these organs are parts of ‘Good Governance’. Because these organs works for the welfare of the people and provide them justice in the state”*.

After the cold war the two decades of 1980s and 1990s, in which major changes happened in the world politics, world economy and world society, such as, glasnost and perestroika (*USSR*) on 11 March 1985, fall of the Berlin wall on 9th November 1989, Dissolve of Warsaw Pact on 1 July 1991, disintegration of *USSR* in December of 1991, *LPG* in India 1991, end of colonial system from all over the world completely, role of IT etc. all these changes created ground for general discussions on how a country ensure its development through Good Governance, especially in the Asia- African countries <sup>8</sup>.

Now, after all the above explanations of the historical evedents behind the origin of the concept “Good Governance” we may find out the fact that – State’s origin basically lies in human welfare. And it is expected from the state that, it will use it’s authority for human- welfare, general- welfare and justice to all and will bring human-development to it’s highest point”. This good authority in modern term is called “Good Governance”.

In the World history we may find that at the time of it’s origin, UNO (United Nations Organization) supposed the Good Governance, in such system there would be democratic form of government, social- justice, welfarist programmes for children, aged, orphans and women, and protection of human rights etc. In World Bank’s annual report of 1998, the four key components of a Good Governance as - accountability, transparency, predictability and participation were defined for the first time <sup>9</sup>.

According to UNDP (United Nations Development Programme) Good Governance is “what makes institutions and rules more effective and efficient, in order to achieve equity, transparency, participation, responsiveness, accountability and the rule of

law”. Today the term governance has come to occupy a central place in the development discourse.

### **2.3 The Concept of Good Governance -**

Good Governance is a term having adjective, which contains various values and possibilities regarding the development of people’s life. In a democracy, Good Governance is seen as effective governance. It’s concern goes around the sustainable development in all sphere of the country and to make a government system, which is committed to ensure a better life to it’s people <sup>10</sup>. ***O. P. Minocha*** (President of the World Bank) defined Good Governance as the governance which includes the-responsibility, freedom, legal-aid, impact and availability of information and cooperation between the society and government. It is considered in Political theory that a successful political legitimacy would include the-democratic form of government, representation of the people, toleration and multicultural attitude.

In the modern time Good Governance signifies basic parameters such as rule of law, participatory decision making structure, transparency, accountability, responsiveness, equity and inclusiveness. This necessitates a reorientation in the outlook of the civil services. When during 1990s World Bank raised the issue of governance, this immediately became an issue of concern in democratic countries of the world, India was one of them.

***UNO (United States of Nations)*** is considered as the most responsible actor in search of factors of ensuring Good Governance. Like, in the era of globalization, technological – development, became one of feature of a Good Governance as it’s aim has been to provide benefit to the last man of a society.

Today Good Governance is moving towards environmental- protection or high human values. In the view of a common man, “Good Governance stands for providing good knowledge and health facilities, better solutions to water, electricity and food problems”. UNDP (United Nations Development Programmes) has been greatly involved in tracking and advancing human development in all it’s aspects of life.

***Lewis T. Preston***, has defined that “Good governance is an essential complement to sound economic policies. Efficient and accountable management by the public sector

and a predictable and transparent policy framework are critical to the efficiency of markets and governments, and hence to economic development”.

In general it is understood that, “*Good governance is about how governments and other social organizations interact, how they relate to citizens, and how decisions are taken in a complex world*”. Thus governance is a process whereby societies or organizations make their important decisions, determine whom they involve in the process and how they render account”.

## **2.4 The Salient Features of Good Governance –**

Governance is the prime concern of a society since its origin, for the proper functioning of a society and for the achievement of the higher human goals. Such as - to maintain justice, order and equality in society, protection of life and liberty, opportunity, peace and prosperity and human moral development. But it was only after the end of the World War II that - the questions of more participation of non-state actors and civil society in decision making and policy formulation, the accountability of the government (policy makers) towards people, and also to filling the gap between the ‘*Knowledge and Practice*’ arose and finally it led to the concept of Good Governance, not only in the western world (USA and Europe) but also in the newly independent third world countries (developing countries of Asia, Africa and Latin America. The *United Nations Economic & Social Commission for Asia and the Pacific (UNESCAP)*, sharpened the definition and identified eight parameters to define Good Governance. Probably it marks a shift from Governance to Good Governance. These are as following-

1. Participation
  2. Rule of Law
  3. Transparency
  4. Responsiveness
  5. Consensus Oriented
  6. Equity and Inclusiveness
  7. Effectiveness and Efficiency
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## 8. Accountability



**Feagure – featurers of a Good Governance**

**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 on the capacity to participate constructively.

**Rule of Law** - Good Governance requires fair Legal frameworks that are enforced impartially. It also requires the full protection of Human rights, particularly of Minorities. Impartial enforcement of laws requires an independent judiciary and an impartial and incorruptible Police force.

**Transparency** - Transparency is widely recognised as a core principle of Good Governance. In simple term transparency means sharing information and acting in an open manner. It is considered as the essential element of a governance for controlling corruption in public life. A Good Governance provides free access to information to promote transparency. Such information must be timely, relevant, accurate and



complete which would be understandable. Transparency means that decision 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. This concept is built on the free flow of information.

**Responsiveness** - Administrative responsiveness is one of the requirement for ensuring Good Governance. Public Institutions and processes should serve all stakeholders within a reasonable time period.

**Consensus Oriented** - Good Governance requires mediation of the 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. 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. Good governance mediate differing interests in order to reach broad consensus on the best interests of the group and, where possible, on policies and procedures.

**Equity and Inclusiveness** - 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. All men and women should have equal opportunity to maintain or improve their well-being. Equity unlike equality does not talk about the equal opportunity to all, whether it is concerned with the opportunity according to one's need, this is said inclusiveness. That's why, it is considered as one of the feature of Good Governance.

**Effectiveness and Efficiency** - Good Governance means that processes and institutions produce result 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. In simple we may say that such concept is all about the Processes that institutions should produce results that meet needs while making the best use of resources.

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**Accountability** - Decision- makers in government, the private sector and civil-society organizations should be accountable to the public as well as to institutional stakeholders. This accountability differs depending on the organization and whether the decision is internal or external to an organization. But the developing public space in India should encourage concerned citizens to scrutinize all the major new promises, policy processes, implementation effects, and issues of suffering and redress of especially poor people. Government is concerned with the role of civic organizations in scrutinizing the ways of authorities in order to find proper measures of accountability to satisfy citizens.

Such features of Good Governance, may be responsible for the sustainable development or inclusive growth of any democracy in the world<sup>11</sup>.

## **2.5 Good Governance In India -**

Good Governance has been a challenge before the governments of India, in both public and private sectors. Good Governance is considered as the ideal in a democracy, like India. And to ensure this ideal, it is expected from the government to act with honesty to the rights of the people.

The Indian literature provides the evidents, enough to having the concern of ensuring the Good Governance in Indian Civilization. Vedas, Geeta, Mahabhart and of course the writings of Kautilya, Manu and so on, have defined about a governance which would ensure for the welfare of the state and it's people. This governace is termed as the Good Governance, by the scholars of social science.

In the context of India we may find that the idea of good governance is as old as Indian civilization. The rulers were bound by Dharma, popularly called **-Raj Dharma**, which precisely meant for ensuring good governance to the people. It means those who are involved in Governance must adhere to righteousness and do justice to the public, it has inseparable link to social welfare and inclusive development.

Raj Dharma, righteous duty of the king was the code of conduct or the rule of law that was superior to the will of the ruler and governed all his actions. As the description of Good Governance found in ancient Indian scriptures, such in the Jataka-tales, Shanti-Parva and Anushasanparva of Mahabhart, Shukracharya's Nitisar, Panini's

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Astadhyayi and especially in Kautilya's Arthashastra. *Arthashastra* while highlighting the principle of Good Governance declares -“In the happiness of his people lies king's happiness, in their welfare his welfare, whatever pleases himself he shall not consider as good, but whatever pleases his people he shall consider as good”.

**M. K. Gandhi**, the father of the Nation, had a vision for Free India and to ensure the Nation a people-friendly Governance – the '**Ramrajya**'. Gandhi's such concept of the 'Ramrajya' was seen as his dream for the 'Good governance' in India.

In the modern time Good Governance emerged as the concept of concern after the Economical Reforms of 1991, in India. The '**States, Territories Secretariat Conference' of 1996** and '**All India's Chief Ministers Conference' of 1997, both revealed that – “Good Governance is must for the country”**.

During the NDA government's office in 1998- 2004, various programmes and policies were executed in order to ensure the ideal of Good Governance in India. Then Vajpayee government's agenda for the elections of 2004, became the "**An agenda for Development, Good Governance, Peace and Harmony**".

Today, many governmental schemes and programmes are working in order to ensure Good Governance in the country like, E-Governance, E- Chopal, Information and Help Centres, Digital India, E- Panchayat, Indian Health Mission etc<sup>12</sup>. In present time Good Governance is considered as the second name of the sustainable development in the country. On 25<sup>th</sup> december, 2015, on the birthday of Mr. Atal Bihari VaJpayee, the former prime minister of India, the first **Good Governance day** was celebrated. Such step was taken because the NDA government, headed by Mr. Atal Bihari Vajpayee was the first government in centre to have the vision to ensure the Ideal of Good Governance in the country, during it's office term from 1998 to 2004.

## **2.6 Good Governance and Inclusive Growth: the case of India-**

In the modern time, the Good Governance emerged as the concept of concern for the governments, after the Economical reforms of 1991 in India. As then Good Governance was seen must for the sustainable development or overall development of

the country. For example in the “States, Territories Secretariat Conference” (1996) and “All India’s Chief Ministers Conference” (1997), both revealed that- “Good Governance is must for the country”. Participation of all sections of the society in the political, social or economical spheres, Rule of Law, Transparency in Governmental actions, sense of Responsiveness of the government, Governmental consensus towards its’ people, Equity, Inclusiveness for the overall development, Effectiveness and Efficiency in governmental decision making process, or Accountability of the Government etc. are the main features of a Good Governance. In the large populous democracy, like India to fulfill such criteria to ensure a Good Governance, has been not a easy task for the governments. But from time to time through various policies and programmes in the country, governments have been concerned to achieve such ideal of Governance.

However there have been many challenges or issues before the governments in order to ensure Good Governance in the country like- social justice, poverty, employment, empowerment, corruption, soaring prices, illiteracy, health and medical facilities and so on. Such issues are capable to make parameters of the inclusive growth of the country. As thee inclusive growth of any country, shows the graph of economical development of that particular country.

In simple definition, Inclusive growth means economic growth that creates employment opportunities and helps in reducing poverty. It means having access to essential services in health and education by the poor. It includes providing equality of opportunity, empowering people through education and skill development. It also encompasses a growth process that is environment friendly growth, aims for good governance and a helps in creation of a gender sensitive society. Special efforts to increase employment opportunities are essential as it is a necessary condition for bringing about an improvement in the standard of living of the people. UNDP has described inclusive growth as “the process and the outcome where all groups of people have participated in growth and have benefited equitably from it”. This inferred that inclusive growth should include all sections as recipients as well as partners in growth and that inclusion of the excluded should be embodied in the growth process. According to *Basely (2007)*, “*inclusive growth is the growth that has a high elasticity of poverty reduction*”. *Commission on Growth and*

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*Development (2008)*, found in report that inclusiveness, a concept that incorporates equity, equality of opportunity, and protection in market and employment transitions is an essential element of any successful growth strategy.

For example - The agenda for inclusive growth, envisaged in the *Eleventh five year Plan* document which intended to achieve not only faster growth but a growth process, which would ensure broad-based improvement in the quality of life of the people, especially the poor, SCs/STs, other backward castes (OBCs), minorities and women and which seeks to provide equality of opportunity to all. Bringing these excluded sections of the society into the mainstream of the society so that they are able to reap the benefits of faster economic growth is the kind of 'inclusion' which is being envisioned in the concept of inclusive growth.

## **2.7 The Challenges of Good Governance in Indian democracy -**

India is a country with "*Unity in Diversity*" in a sense that it is large enough in size with different geographical diversity and population and has a multicultural, multilingual, multiregional society and also having different religions, sects, ideologies and a federal parliamentary "sovereign socialist secular democratic republic" with multiparty system and having constitutional supremacy and judicial review to ensure and protect the fundamental rights of the people<sup>13</sup>. In such diverse democracy, challenges to ensuring Good Governance may be identified as defined following -

- A. Social Justice
  - B. Poverty
  - C. Empowerment
  - D. Employment
  - E. Soaring Prices
  - F. Red-tapism
  - G. Criminalization of Politics
  - H. Corruption
  - I. Administrative Responsiveness, Accountability and Transparency
  - J. Partisan Politics
  - K. Centre –State Conflicts
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Beside, these there also may find some challenges to achieve the ideal of Good Governance or inclusive growth in India, which has been led dissatisfaction and disillusionment in the minds of the people, towards their Government. As following are -

- A. Degeneration of values in society
- B. Participation of the People in Political affairs
- C. Political Awareness of the People
- D. Responsiveness of the People on Governmental acts
- E. Sense of Self- fulfillment
- F. Illiteracy
- G. Health & Medical facilities
- H. Labour unrest
- I. Communal tension

As defined in the chapter, we may assume that- Good Governance is often spoken about as a panacea for all ills plaguing society and government. But there are few who can actually define Good Governance. Knowing the parameters, would facilitate comparison and understanding 6. The **Eleventh Five Year Plan**, outlined six characteristics of Good Governance in Indian democracy, as following are

1. Free, Fair and timely Elections in all spheres of Political Authority.
  2. Transparency and Accountability of all Institutions of the state to it's citizens.
  3. Efficient and Effective delivery of Socio-Economic Public services.
  4. Effective devolution of Authority, Resources and Capabilities to PRIs and Municipalities.
  5. Rule of Law, where legal rights are clear and understood, and legal compliance and enforcements of those rights is time-bound and swift.
  6. Needs and Interests of hither to Excluded sections of society are privileged and included, with dignity.
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