

Overview: 'Just and Honest Government'

The core Commonwealth value that underpins democracy and development

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This year's *Commonwealth Good Governance* explores the complex connection between the two pillars of the Commonwealth – democracy and development.

The Commonwealth Secretariat's work is structured around delivering on these two main aims of our membership: the promotion of effective democratic institutions and the implementation of sustainable development, including the achievement of the Millennium Development Goals (MDGs). We believe democracy and development are also intricately interrelated. *Commonwealth Good Governance 2010/11* examines that relationship.

This edition's focus is on how to achieve 'democratic developmental states' through Just and Honest Government¹ – that is, effective institutions, clear-sighted yet ethical political leadership, and capable and fair public administration². The articles presented in this publication, all in different ways, suggest that fair and effective public administration is at the heart of the legitimacy of the state in the eyes of its citizens and so vital for achieving Just and Honest Government³. Fair and effective public administration is central also to the effective state needed to promote political stability and economic growth⁴. Both the Commonwealth's aim of development and its core intrinsic political values⁵ – of democracy, human rights and rule of law – are therefore dependent on its fourth original core political value – Just and Honest Government⁶.

Just and Honest Government

Just and Honest Government – the combination of effective institutions, clear-sighted and ethical political leadership, and capable and fair public administration – enables a country to achieve three essential aims:

1. To formulate long-term sustainable development policies.
2. To implement these policies.
3. To create the national political consensus that deepens democracy and aligns the population with development outcomes.

Just and Honest Government, in other words, is central to both democracy and development, and links them both together.

Twenty years ago, in 1991, the Harare Declaration called for the promotion of the fundamental political values and principles of the Commonwealth, including 'just and honest government', and so committed the Commonwealth 'to

respond to requests from members for assistance in entrenching the practices of democracy, *accountable administration* and the rule of law'. This commitment to Just and Honest Government as a fundamental political value was re-endorsed in 1995 by the Millbrook Commonwealth Action Programme on the Harare Declaration, which called for the 'support for good government, particularly in the area of public service reform', and by the Latimer House Principles of 1998 endorsed at the Malta Commonwealth Heads of Government Meeting (CHOGM) in 2005.

The 2009 CHOGM modernised 'Just and Honest Government' into the broader concept of 'good governance' (defined as rule of law, transparency, accountability and tackling corruption)⁷, but in doing so perhaps lost, for an intergovernmental organisation, the focus and power of the original wording⁸. The whole governance agenda – how a country manages the use of power and authority – is a basic requirement for development⁹, and improving the quality of public administration is a critical component of this broader picture.

The articles presented in *Commonwealth Good Governance* collectively show that the Commonwealth needs to pay greater attention to, and emphasise more, the contents of its core value of Just and Honest Government – institutions, leadership and public administration – within the 'good governance' mandate¹⁰. To achieve this, the Commonwealth Secretariat needs to outline better i) why Just and Honest Government within the current governance agenda matters for deepening democracy and delivering development outcomes; and ii) the added value for the Commonwealth in working on this core value.

This title, by combining internal Commonwealth Secretariat articles illustrating our impact to date, with external articles outlining current governance thinking, begins to address the way forward.

Democracy and development – ambiguous relationship

Rocha Monocal opens *Commonwealth Good Governance* with an important paper setting the scene on the links between democracy, development and public administration. In outlining the debate over the relationship between democracy and development – the central intertwining pillars of the Commonwealth – she notes that 'the nature of the relationship between democracy and

development remains a very hotly contested issue'. The assumption that a strong link exists, however, underpins the 'good governance' agenda in international development. As a result, normative Western democratic concepts of 'good' may distract support from promoting local concepts of democratic politics, while overloading emerging democracies with unrealistic expectations for 'quick-win' development outcomes.

Rocha Monocal indicates that the academic literature, although deeply divided about the relationship between democracy and development, recognises that creating and sustaining an effective bureaucracy is essential for both. A capable public administration helps democratic political culture to endure and consolidate, by managing inequalities and containing distributional conflicts in a way that allows politics to develop democratic maturity. Democracy and development may pull in opposite directions in developing countries, requiring an effective state to manage the resulting tensions. Democratisation may create checks and balances mechanisms and diffuse power, while development may require strengthening state capacity through greater autonomy and centralisation of authority. That different political regimes are capable of implementing similar policies suggests that it is not just the nature of the political institutions or leadership but also the nature of public administration and the political-administrative interface that needs much greater attention.

The Commonwealth Secretariat for nearly two decades has quietly been working on this, building democratic developmental states by forging positive relations between the political and administrative arms of the public sector at the highest levels at the centre of government¹¹. Our innovative approach has been to provide a platform that brings together Cabinet Ministers and top civil servants to help them work better together as they support the Executive to deliver on the government's policy-making agenda. **Nwasike** demonstrates that Commonwealth support through retreats for newly elected governments in the Caribbean has helped to strengthen the effectiveness of Cabinet offices and supported a more enabling environment for government policy-making.

Job shows in Sierra Leone how the same small but strategically significant intervention of the kind the Commonwealth Secretariat is particularly well placed to carry out can make a real difference not only at the national level but also at the local level.

Booth reminds us that we need to be concerned about the *quality* of democracy – specifically whether it delivers effective developmental leadership. That requires achieving an elite consensus about national vision and finding a way of preventing the political power struggle from sacrificing long-term national interests to short-term narrow group interests. **Leftwich** builds on that by asking what causes the emergence of developmental leaderships and coalitions, what explains their success or failure, and what the international community can do to support their emergence and success. He notes that what matters is not the

individual leader alone but leadership and 'followership' through coalitions for change. **Green** advocates 'democratic developmentalism' as within the reach of many countries struggling against the ravages of poverty and underdevelopment. He therefore queries 'forgetting about democracy' and accepting the more developmental forms of neo-patrimonialism. He suggests the transition from an exclusive to an inclusive state can occur earlier in a country's development trajectory than was possible in the past.

Teskey, writing from a World Bank perspective, outlines why 'capacity-building' in the public sector in developing countries so often fails. He urges the Commonwealth to recognise that development and democracy require an effective public authority, including an administration with 'functional authority' – being 'the extent to which the rules and values of the state trump other value systems'. This requires political legitimacy. 'Institutional capacity by itself will not be enough.' Capacity-building on its own is, therefore, only ever partially effective, and may often be counterproductive.

Job suggests that Public Service Commissions (PSCs) are often a crucial component in reforming the public sector, by providing strategic direction in human resources management and civil service policy and regulation, as well as in ensuring and maintaining the integrity of the public service. She shows how a minor Commonwealth intervention in support of the PSC in Sierra Leone has turned it 'into an empowered institution with leadership and vision – a situation that seemed unimaginable just a few years ago'. **Waung and Menyah** explore why administrative leadership – 'the art of getting someone else to do something you want done because he wants to do it' – matters for achieving development by translating national visions, policies and strategies into reality at all levels of government, to consolidate commitments, co-ordinate activities and motivate excellence.

Wright suggests how the Commonwealth Local Government Forum (CLGF) promotes local democracy in line with its Aberdeen Principles on Good Practice for Local Democracy and Good Governance, which highlight the importance of ongoing capacity development of local government. **Owen** argues that the Commonwealth has a useful role to play in challenging oversimplified expectations about governance reform. The Commonwealth Secretariat should promote the understanding that well-informed pragmatism is preferable to grand reform plans founded on normative generalities.

Jasimuddin outlines the Commonwealth Secretariat's Parliamentary Internship Programme in Sri Lanka to strengthen the capacity and effectiveness of the parliament and upgrade the knowledge and skills of its parliamentary officials. He shows how it demonstrates the Secretariat's ability to provide assistance when other donors do not or cannot, to act quickly and in a flexible manner, and the advantages of South-South co-operation, not only in reduced cost, but also in exposure to a more relevant parliamentary model than the Western, 'Westminster'



Perth, Western Australia, host of the 2011 Commonwealth Heads of Government Meeting (CHOGM)

paradigm. Jasimuddin identifies the Commonwealth Secretariat's main comparative advantage to be in addressing politically sensitive issues.

Preston anchors democracy, development and public administration in the broader concept of governance – 'the use of power and authority and how a country manages its affairs'. He illustrates this through the work of the UK's Department for International Development (DFID) in this field, and notes that the Commonwealth has a unique comparative advantage, namely the trust it enjoys with member countries. This can facilitate genuine South-South learning, but the Commonwealth Secretariat will need to focus more if it is to achieve its potential in governance.

Our focus on the quality of public administration

The aim of the Commonwealth Secretariat's work on governance, and on Just and Honest Government in particular, is to help build both effective democracy and sustainable development in Commonwealth countries. 'Good governance', however, is an elusive, complex phenomenon. While the concept – like 'democracy' – may seem normative, in practice, it takes different forms in different contexts of capacity, leadership and authority¹². Successful reform rarely comes from external support for 'good governance/best practice' rules-based reform, but through domestically owned 'best fit' to local context, which align informal as well as formal institutional incentives and interests of local leaders and officials¹³.

A sharper focus on Just and Honest Government, however, concentrates attention on the quality of public administration. Research suggests that impartial and effective public administration builds trust between the state and its citizenry and also in markets. By preventing arbitrariness and bias, and by institutionalising respect for contracts and transparency, a fair and effective public administration is therefore crucial for economic growth, political stability and for the legitimacy of the state¹⁴. The primary state-building challenge of taxation neatly illustrates this, as it is difficult to raise taxes without the tax authority being perceived as fair, effective and efficient, and its enforcement as a legitimate exercise of state power in the eyes of its citizens and the private sector¹⁵.

Developing countries with 'Weberian' bureaucracies – that is, meritocratic recruitment, competitive salaries and long-term career development through internal promotion – have better development outcomes, such as better rates of investment and growth and less corruption¹⁶. But the evidence on many assertions about democracy and development is often weak. Economists, for instance, often trace the historical roots of the link between democracy and development to the Glorious Revolution in England in 1688 which, by formalising parliament's authority, supposedly strengthened political commitment to 'secure' private property rights and so fostered economic growth. This is the 'Whig Interpretation of History' – which sees 1688 as the start of modern 'progress' by making property rights 'secure' – although the mainstay of modern economics textbooks, does not withstand detailed

scrutiny¹⁷. Economic growth requires not 'secure' property rights but public administration widely accepted as fair.

Impartial and competent public administration is, therefore, essential for both development and democracy. To help countries help themselves in this, we need to capitalise on the unique political relationships and influence of the Commonwealth which we believe are our comparative advantages. We believe these to include:

- Trusted partnership with our membership as the Commonwealth has no vested personal or organisational interests. It is important to note that our development work is paid for by a mutual fund that all recipients contribute to, so there is more genuine country 'ownership'.
- Convening power as other agencies may not be so trusted.
- Ability to foster communities of practice and South-South learning, by making the most effective use of networks for brokering the exchange of ideas and practice between member countries.
- Helping our small and vulnerable member states that are neglected by others.
- Rapid response in a manner that large aid agencies – both bilateral donors and the international financial institutions – often cannot provide.
- Seed-funding good ideas, which can then be taken up by major funders.

These should allow the Commonwealth Secretariat to focus its efforts on:

- Tackling political sensitivities that donors and other development agencies cannot address, prioritising activities where we have comparative advantage, notably tackling politically sensitive 'state-building at the centre of government' reforms.
- Responding promptly and professionally to our membership's concerns and to CHOGM mandates.
- Nurturing networks – especially advancing South-South learning of 'good fit' – *not* 'best practice' – that are effective in promoting reform.
- Championing the unique problems of improving governance in the smaller, poorer, more vulnerable countries of the Commonwealth, including small island and landlocked states¹⁸.
- Implementing an effective communications strategy – of which this publication is part.

I am very grateful to all the contributors whose efforts unify into what I hope you will find a stimulating read. While the articles presented here of course express the authors' own opinions, and not the official position of the Commonwealth Secretariat, they strengthen our commitment to improving public administration. Through this, we assist member countries' efforts to become

'democratic developmental states' through 'Just and Honest Government'.

Endnotes

- 1 White (1998) suggests 'Just and Honest Government' contributes towards developmental success as a public administration and leadership must be committed to a long-term strategic vision, while also being 'inclusively embedded' in society. See White, G. 1998. 'Constructing a Democratic Developmental State'. Eds. M. Robinson and G. White. *The Democratic Developmental State: Politics and Institutional Design*, 17-51. London: Oxford University Press.
- 2 Good public administration delivers seven aims: i) serves the public interest and advances the public good; ii) promotes transparent and accountable use of its powers and resources; iii) acts with integrity, that is, solely in the public interest; iv) upholds the legitimacy of public authority by its impartial proper use; v) acts in a fair and equitable manner; vi) is responsive to the legitimate interests of the government, and needs of all citizens; and vii) acts efficiently and effectively in the use of public assets.
- 3 See, for example, Rothstein, B. 2007. Political Legitimacy for Public Administration, in Peters, B. (ed.). *Handbook of Public Administration*, 213-222. Goetz (1999, 158) notes that 'public bureaucracy enjoys a legitimacy that is grounded in its specific orientation towards the public good, its bureaucratic character and the professionalism of its personnel.' See Goetz, K. 1999. 'Between Autonomy and Subordination: Bureaucratic Legitimacy and Administrative Change in Germany'. Ed. Luc Rouban. *Citizens and the New Governance: Beyond New Public Management*. IOS Press: 157-174.
- 4 For example, the 2008 International Growth Commission Report; and state legitimacy in Africa is estimated to be worth up to 2.5% annual growth: see Englebert. P., 2002, *State Legitimacy and Development in Africa*.
- 5 Other values outlined in para 9 of Harare include women's equality, universal access to education and sustainable development.
- 6 'Development without an effective state is impossible': World Development Report. World Bank. 1997, p. 25.
- 7 The Commonwealth Good Governance definition suggested five components: i) Accountability – can citizens hold appointed officials responsible for specific actions or decisions? ii) Transparency – does the public have access to knowledge of institutional policies and strategies? iii) Predictability – are institutional regulations and policies fairly and consistently applied? iv) Capacity – can desired policy outcomes be formulated and achieved? v) Participation – are citizens and other key stakeholders effectively engaged? The World Bank defines 'governance' as 'the process by which authority is conferred on rulers, by which they make the rules, and by which those rules are enforced and modified'; whereas 'good governance' implies 'predictable, open and enlightened policy-making; a bureaucracy imbued with a professional ethos; an executive arm of government accountable for its actions; and a strong civil society participating in public affairs; and all behaving under the rule of law.'
- 8 The CLGF's 2005 Aberdeen Principles on Local Democracy and Good Governance call for continuous capacity development of democratic local government.
- 9 See http://www.thecommonwealth.org/shared_asp_files/uploaded_files/%7BC628DA6C-4D83-4C5B-B6E8-FBA05F1188C6%7D_framework1.pdf.
- 10 Also informed by the practical challenges of seeking to implement its normative attributes, when development efforts need to be prioritised according to local context: see Grindle, M., 2007, 'Good Enough Governance Revisited', *Development Policy Review*, vol. 25, no. 5, pp. 533-574. See also Khan, M. 2009. Is 'Good Governance' an Appropriate Model for Governance Reforms?: in Springborg, R. (ed.) *Development Models in Muslim Context*. Edinburgh University Press. pp 195-230.
- 11 Agere, S. 1999. Political and Administrative Interface: The Functional Relationship Between Ministers and Permanent Secretaries, Managing the Public Service Series: No 10, Commonwealth Secretariat: London; Kathyola, J. 2010. The

- political-administrative interface: The key to good public sector governance and effectiveness in Commonwealth Africa. *Commonwealth Good Governance 2010/11*: Cambridge: Nexus Strategic Partnerships.
- 12 The World Bank's 2011 World Development Report, *Conflict, Security and Development*, outlines the centrality of politics and legitimate institutions in overcoming repeated cycles of state fragility, conflict and violence.
 - 13 Harrison (2005, 256) notes: 'To design governance reforms more effectively would require a fuller political consideration of each country case: its state culture, the intertwining of public office and private accumulation, and the prevailing ideological reference points that bind elites together': Harrison, G. 2005. The World Bank, Governance, and Theories of Political Action in Africa. *British Journal of Politics and International Relations*. Vol. 7, No. 2: 240-260.
 - 14 See, for example, Rothstein, B. 2005. Social Traps and the Problem of Trust. Cambridge: Cambridge University Press; Rothstein, B. and J. Teorell. 2008. What is Quality of Government: A Theory of Impartial Political Institutions. *Governance – an International Journal of Policy and Administration* 21:165-190; Rothstein, B. 2009. Creating Political Legitimacy: Electoral Democracy versus Quality of Government, *American Behavioral Scientist*, 53: 311-330.
 - 15 Everest-Phillips, M. 2009. Business tax as state-building in developing countries: applying governance principles in private sector development. *International Journal of Regulation and Governance* 8 (2): 123–154; Di John, J. 2010. Taxation, Resource Mobilization and State Performance. Crisis States Research Centre Working Paper No. 84, London School of Economics; Everest-Phillips, M. 2011. *Tax, Governance and Development*, Commonwealth Secretariat Discussion Paper 11.
 - 16 Evans, P. and Rauch, J.E. 1999. Bureaucracy and growth: A cross-national analysis of the effects of 'Weberian' state structures. *American Sociological Review* 64:748-65; Henderson et al. 2007. Bureaucratic Effects: 'Weberian' State Agencies and Poverty Reduction. *Sociology* 41: 515-532.
 - 17 Everest-Phillips, M. 2008. The Myth of 'Secure Property Rights': Good Economics as Bad History and its Impact on International Development, ODI working paper; Hoppit, J. 2011. Compulsion, Compensation and Property Rights in Britain, 1688–1833. *Past and Present* 210 (1): 93-128.
 - 18 We have 32 small states member countries, 28 of which are island states member countries, 24 small island states, six landlocked states member countries, and three small landlocked states.