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Abstract

Since many decades there has been a growing concern about reducing poverty, reduce inequality, protect environment, promote well-being, etc. These changes have shifted focus from the model of economic growth to the new model of sustainable development. Despite this new direction, the issue of how to achieve sustainable development goals still remains. One of the most recognized tools to cope with the development agenda is the good governance.

The aim of this paper is to give an overview on the issues of the sustainable development and to outline the link between good governance dimensions and selected indicators of development. Also, the paper investigates the requirement for good governance.

Keywords: Good governance; sustainable development

1. Introduction

Between 1950s and 1980s, the approach of development was oriented to achieve high levels of economic growth (Wang *et al.*, 2008). Since the end of 1980, the strategy has been oriented to economic growth. In 2000, the United Nations launched the millennium development agenda which contains eight goals. In 2015, this agenda was replaced by the sustainable development agenda (SDGs) or what which is known as the 2030 SDGs Agenda. Many tools, strategies and recommendation have been advocated to achieve those objectives.

Many studies have shown that the challenges facing countries in terms of sustainable development such as high unemployment rate, widespread of poverty and inequality are explained, in part, by inefficient institutions prone to corruption (Demmers *et al.*, 2004). In this regard, the new paradigm of development strategy based on good governance emphasizes the joint participation of role of the state, non-state actors, civil society and private sector, in the economy and in the process of public governance (Stojanović *et al.*, 2016).

2. Sustainable development

The concept of sustainable development become a topic of discussion at international level after the publication of the report “Our Common Future” in 1987 by the Word Commission on Environment and Development of the United Nations. This report is widely known as the Brundtland report where we find the most famous definition of sustainable development:

“development that meets the needs of the present without compromising the ability of future generations to meet their own needs” ([UNWECED, 1987](#)).

The principles of sustainable development include:

- Stable and long term economic growth
- Proportionate and balanced economic and social development
- Active employment policies
- Reduction of regional differences
- Growth of personal income and consumption
- Preservation of the environment for future generations and efficient usage and allocation of natural resources.

3. The shift towards good governance

There are two main reasons that led to the emergence of good governance. First, and by the end of Cold War, poor countries faced challenges to make transition to the market economy and therefore they concentrated their efforts to modernize institutions and decision making process ([Hout, 2007](#)). Second, by the end of 1980s and the increase of economic problems such as the raising level of external debt, many developing countries launched what we call structural adjustment program. These programs gave mitigates results and there was a doubt towards the Washington Consensus and the legitimacy of the international financial institutions. The world has moved to an increasingly waves of globalization and the unregulated market ([Craig and Porter, 2006](#)). All these changes make end to the neo-liberalism approach.

The attention nowadays is about good governance which refers widely to institutional issues, social justice and inclusiveness ([Gore, 2000](#); [Öniş and Şenses, 2003](#)). In that regard, there are no perfect governing structures and institutions. But, they can be continuously improved.

Good governance refers to “a set of qualitative characteristics relating to processes of rulemaking and their institutional foundations. It encapsulates values such as enhanced participation, transparency, accountability, and public access to information. It also helps to combat corruption and secure both basic human rights and the rule of law” ([UNU-IAS, 2015](#)).

The SDG Agenda clearly has a great commitment to good governance and its vital role. Goal 16 indicates “effective governance institutions and systems that are responsive to public needs deliver essential services and promote inclusive growth”. Institutions are the basics for good governance. In addition, good governance includes relations between state and people.

4. The model of governance

Actually, there is growing acceptance that the “one size-fits all” models of governance, which is advocated by international financial institutions, do not work. Indeed, diverging pathways towards more inclusive political and economic institutions appear (UNDP, 2014). Some problems had occurred especially in terms of implementation of public sector reforms that have generated the ineffectiveness of development aid and expenditure limited resources without realizing the objectives of sustainable development.

The consequences of the international financial crisis, the consequences of climate change, the impacts of state-intra conflict, crime and terrorism have increased the attention to develop the model of governance by taking into account new dimensions since the world is increasingly interconnected. Nowadays, it is widely recognized that a single model of governance cannot and should not be imposed. The main reason is that governance varies across contexts and cultures, and has evolved in response to a number of socio-cultural and economic factors.

5. The effect of good governance on development

Regarding the effect of good governance on economic growth and development, there have been many studies that talked about this nexus. Results differ according to the regions or country and according to the used econometric tools. Some studies found a non-conclusive link. Others found a negative relationship. However, the majority of studies have shown a positive and a direct effect to achieve development targets such as reducing poverty, increasing employment, more equitable redistribution of income, etc. (Shylendra and Bhirdikar, 2005 ; Kioe Sheng, 2010).

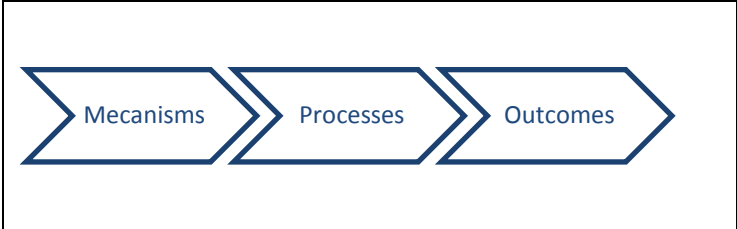
Actually there are widely accepted arguments that governance should play a stronger role in the post-2015 development agenda starting from the premises that good governance enables the achievement of a range of important development objectives.

Nowadays, the ongoing discussion recognizes that current development challenges are more complex. Indeed, and according to the SDGs Agenda, sustainable development should concern economic, social and environmental dimensions. Also, this development should be equitable. Further, this approach should address political and technical aspect of development solutions (UNDP, 2014).

Good governance is widely acknowledged as a foundation for sustainable development, including sustained and inclusive economic growth, social development, environmental protection and the eradication of poverty and hunger.

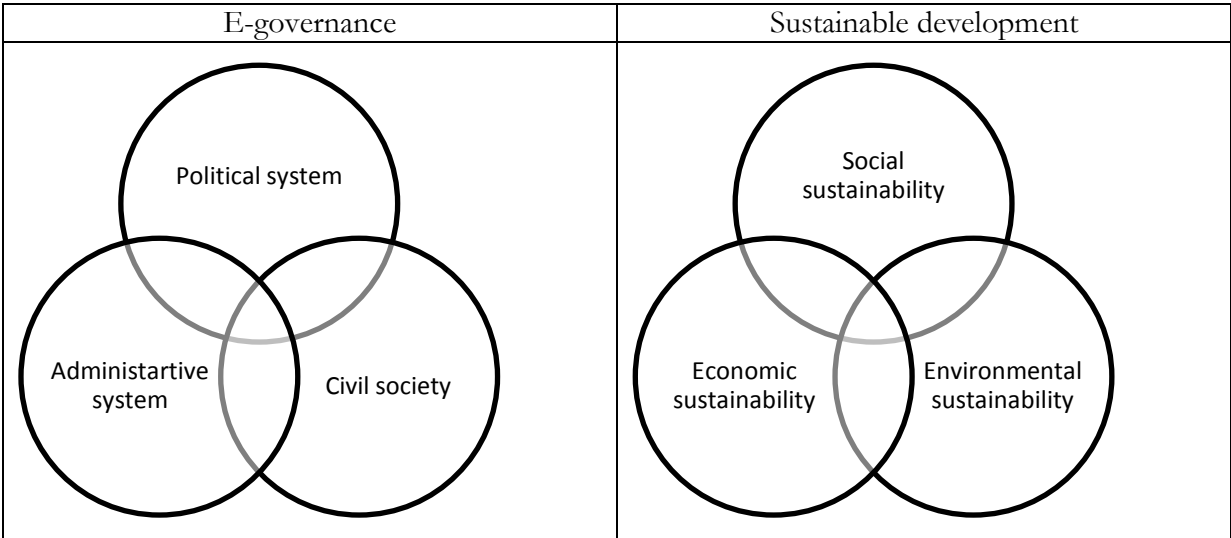
To ascertain whether governance is good, three dimensions have to be assessed: mechanisms that promote it, the process used, and the outcomes achieved.

Figure 1: Underpinning of good governance



- Mechanisms of good governance include: transparent and democratic institutions, efficient and effective public services.
- Governance processes refer to: the quality of participation necessary to ensure that political, social and economic priorities are based on a broad consensus in society and that the voices of the excluded, poorest and most vulnerable are heard in decision-making.
- Outcomes of good governance could be: peaceful, stable and resilient societies, where services are delivered and reflect the needs of communities, including the voices of the most vulnerable and marginalized.

Figure 2: E-governance and sustainable development



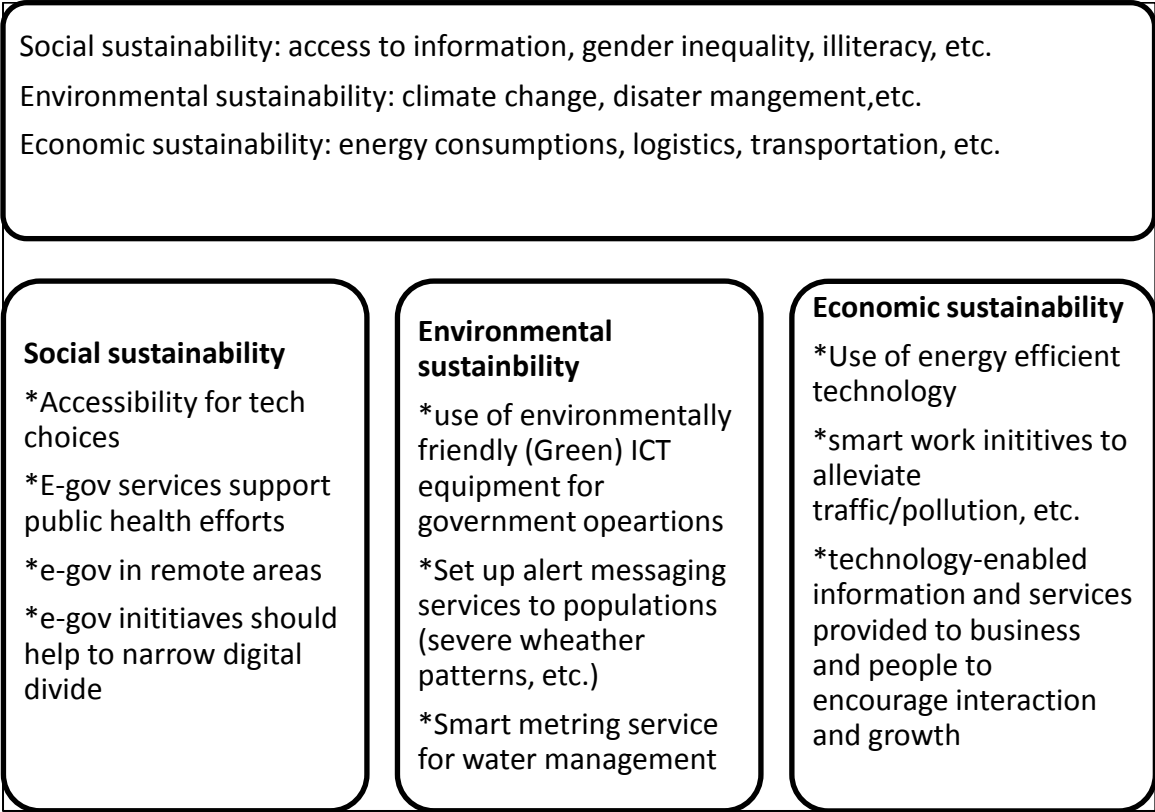
It is worth noticing that accountability through those dimensions is crucial. Accountability can run vertically from government to people; or horizontally between parts of the state (such as executive and judiciary). Therefore, a sustainable development framework will require that public

officials account for actions taken in the public’s name and with public resources. Some concrete action may support the mechanisms and processes of governance such as gender responsive planning, budgeting processes, transparency in the election campaigns, etc.

Integrating e-governance with sustainable development could include:

- Protecting basic rights of citizens and creation of valued services for higher living standards of people
- For genuine development in society, sustainability is crucial
- Pursuit of sustainability depends on the government integrating many services and providing one-step, critical service to citizens
- Efficiency is necessary to make things as simple as possible yet beneficial as possible as well
- Transparency and accountability are important characteristics of decision making for sustainability

Figure 3: E-governance for various sustainable development dimensions



6. Indicators and requirement of good governance

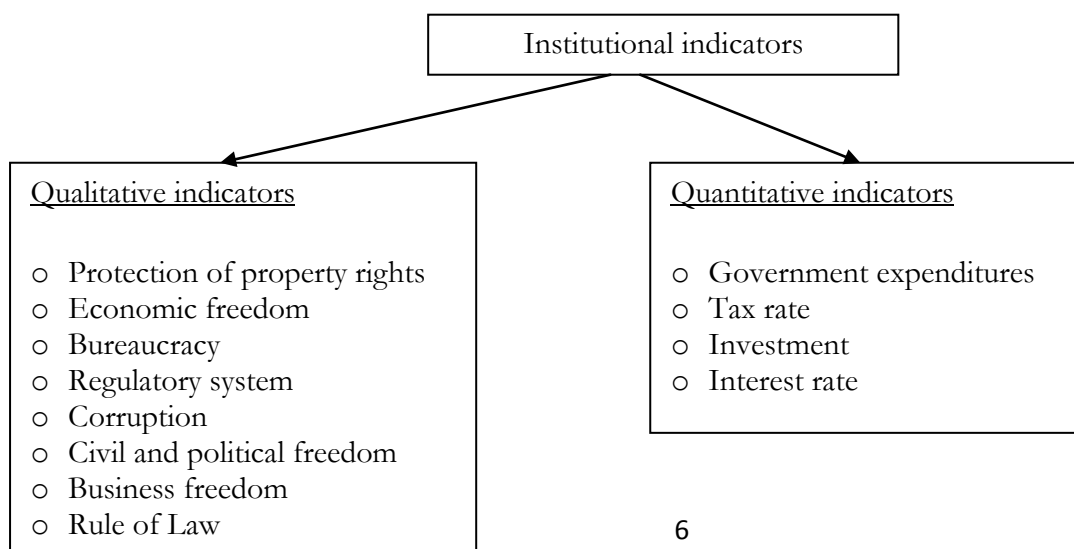
Enhancing governance requires some actions in different areas, not all of which can be addressed at once, and not all can be the subject of a global consensus:

- Effective, responsive and accountable state institutions
- Openness and transparency - public access to information
- Addressing corruption and curbing illicit financial flows
- Justices and the Rule of Law
- Participation in decision-making
- Curbing violence and combating transnational organized crime

For the implementation of good governance principles, a special attention is towards institutions. In this regard, institutions must help citizens achieve sustainability by, especially, providing equal opportunities and ensuring social, economic and political access to resources. Institutions, especially public ones, could contribute heavily to the maintenance of human rights, environmental protection, stable macroeconomic conditions, enhance health conditions, manage and mobilize resource for essential public services, etc. (Jukneviene and Krateivaite, 2012). Further, it is crucial to identify problems, develop frameworks and create opportunities, and create the open-government ideas and formatting an appropriate public policy (West *et al.*, 2009). Therefore, formal institutions are emphasized in the implementation process of sustainable development concept.

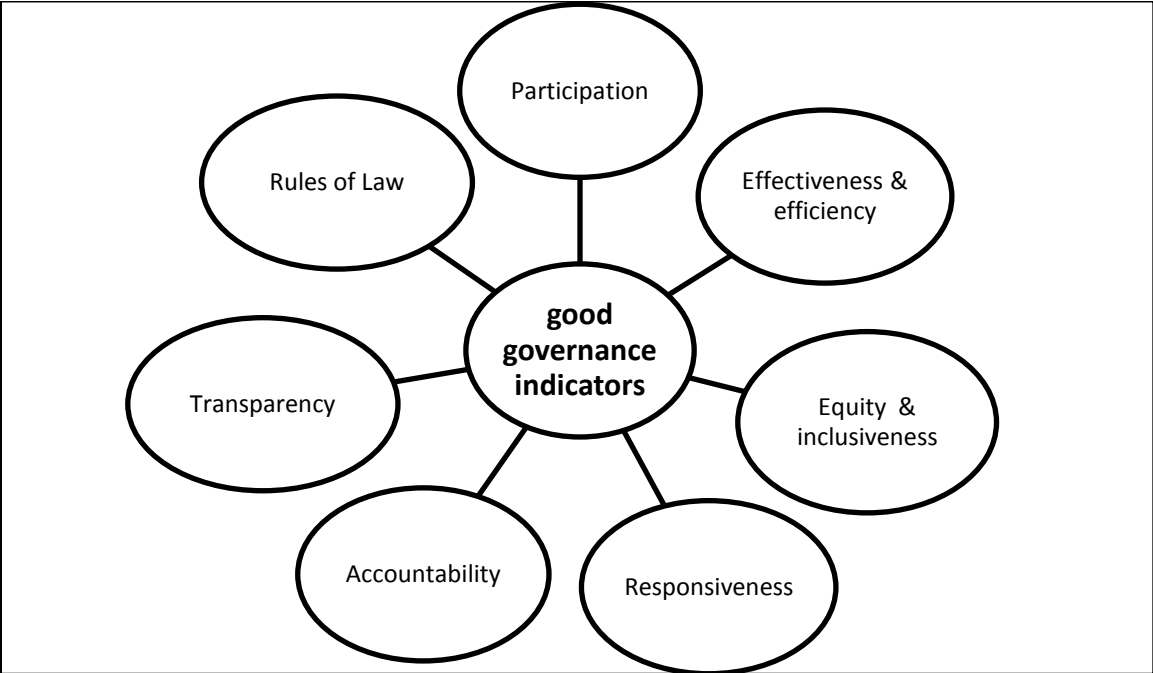
The institutional dimension has become one of the most famous research objects in the context of sustainable development and in the context of good governance as a tool to achieve sustainability. Jukneviene and Krateivaite (2012) conducted an analysis of institutional development based on some indicators showing the manifestation of the institutional dimension grounded by the idea of the good governance in the implementation of the sustainable development concept. Graph below gives an overview of those indicators classified into quantitative and qualitative indicators:

Figure 4: Classification of institutional indicators



The term governance is often characterized by seven major characteristics which assure that corruption is minimized, the view of communities are taken into account, the voices of the most vulnerable in society are heard. As for the indicators of good governance, graph below stated clearly the most important indicators:

Figure 5: Good governance indicators

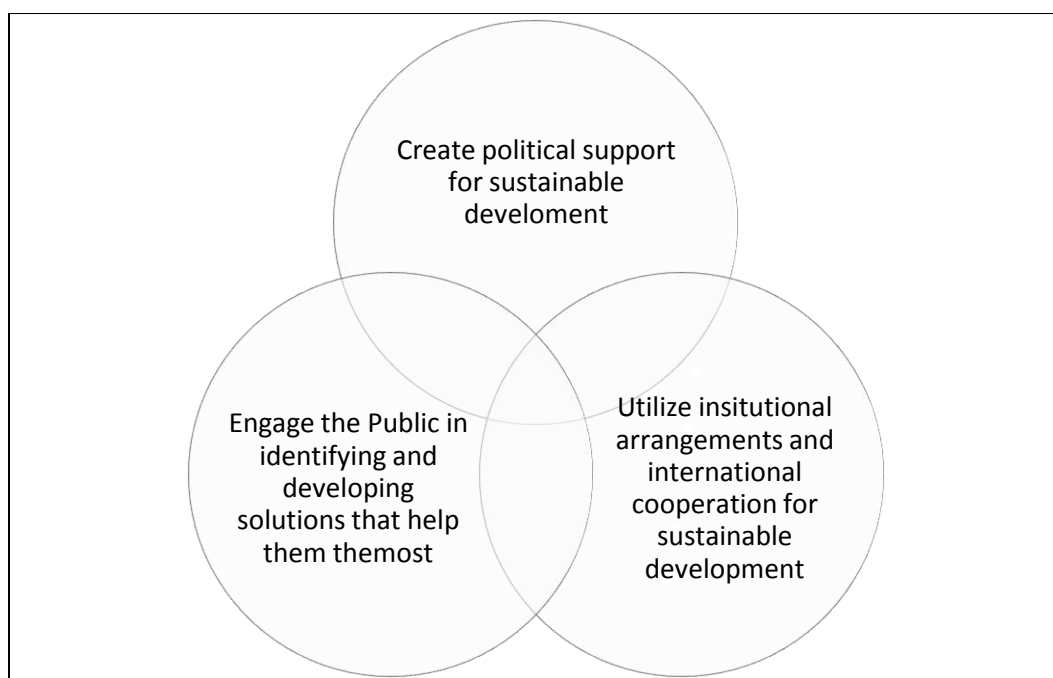


7. Addressing priorities for SDGs Agenda

A range of governance areas is required to achieve SDGs. These areas can be:

- Planning for long term: with reference to the definition of sustainable development as a framework to achieve development for actual and next generation, a need appears to create and develop institutions that promote inter-generational equity.
- Integrating the different dimensions of sustainable development policy: this means creation of synergies and coherence.
- Collaboration: the complex and multi-sector challenges of sustainable development character of sustainable development require collaboration. In this sense, hierarchical and government-driven approaches to development appear unsuitable for such framework.
- Innovation: the development of Information and Communication Technologies (ICTs) has engendered a new form of engagement between citizens, state and the private sectors and new form of monitoring and evaluation.

Figure 6: Priorities for SDGs



Conclusion

Good governance has long been a topic of discussion in the international arena, and especially in the field of sustainable development. Indeed, good governance is pivotal to the development process. There are now widely accepted arguments that governance should play a stronger role in SDGs agenda. Indeed, in order to seek for the economic, social and environment need's sustainability, it is necessary to establish good governance by first identifying the mechanisms, process and outcomes. Institutional dimension is crucial for good governance and contributes to it by forming a suitable environment for the performance of the sustainable development mechanisms, enabling government to be more effectively, efficiently and responsibly involved in development plans.

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