

Youth for Good Governance
distance learning program

Module II

Understanding Governance Challenges



THE WORLD BANK

Module II

Understanding Governance Challenges

Section One: Module Overview

In this handbook, we will look at some of the challenges to governance, we will look more closely at the institutions through which legal, political and economic activities are carried out and explore ways to see if there is a governance problem.

Learning Objectives

By the end of the session, you will be able to:

- explain sources of poor governance
- identify a number of governance problems
- discuss ways to measure governance
- understand corruption as a governance problem.


Participant Role

You are encouraged to read all the materials in this handbook and attempt to complete all the exercises before the videoconference session. If you have any



questions or need guidance with the exercises, contact your facilitator through the e-mail list that has been developed for the course.

Section Two: Causes of Poor Governance

Poor governance indicates there is something wrong in the relations among people who work in government as well as in the relationship between government and the people. Extreme circumstances, such as war, ethnic or religious conflict, economic hardship, and social inequalities, can pose serious strains on the workings of government as well as the fabric of society. Even in less difficult times, the institutions and policies of government—the hardware and software—may undermine how well the government carries out its work. When institutions and policies are weak, individuals tend to take advantage of them. We can think of poor governance as a problem of  **sick institutions**.

Definition

Sick Institution: A government institution that functions poorly because of inadequate resources or bad policies and procedures.

Some of the problems that can lead to poor governance are:

- salaries so low that government officials cannot feed their families,
- favoritism and nepotism instead of rewards for performance,
- outdated, slow systems for managing financial information, records, and other documents,
- unclear rules, procedures, and objectives,
- little oversight or transparency,
- few penalties for abuses,
- excessive control and monopoly power of government,
- resistance to policies and programs.





Exercise

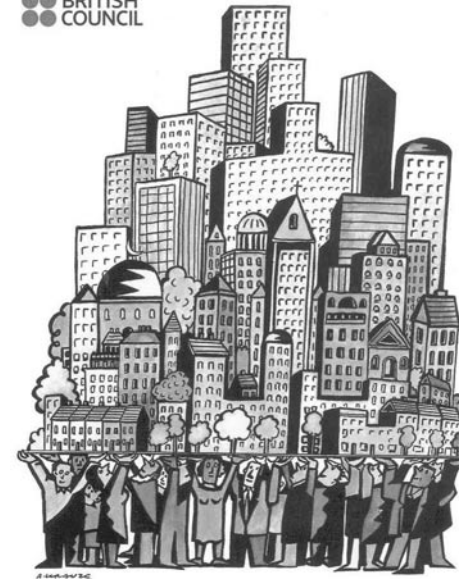
This is a simulation exercise in which students, as a group, will play the role of Jonah, who wants to open a bakery. He needs to get a business permit, register his business at the registry of deeds, buy insurance, and have his store inspected, among other bureaucratic requirements. The facilitator will play the role of government officials at these various offices, which do not function well for a variety of reasons.

Section Three: Governance Problems

Governance problems can be more or less serious, and can vary from one part of government to another. Corruption stands as one of the key governance problems that a country may face, but there are other kinds of problems. We can say there is a governance problem when government institutions are:

- Corrupt
- Inefficient
- Unresponsive
- Secretive or
- Inequitable.

BRITISH COUNCIL



Our world ... our rights

Creating a culture of global citizenship and human rights

Taken from the British Council Citizenship and Human Rights Education Exhibition.
Illustrated by Andrzej Krauze. Copyright © The British Council.





Exercise

With two other students, look for stories in newspapers, magazines, photographs, comic strips, movies, songs, etc. that describe a problem in government for each of the three branches of government. Use the table below to write down the government institution that is the subject of the story, what is wrong with the institution, and what you think can be done to remedy the problem. Discuss your completed table with the group.

	Government institution	Problem	Possible remedy
Executive branch			
Judicial branch			
Legislative branch			

Some of the following questions might guide the group discussion:

- What does this story say about the government institution?
- What do people think of the institution you have chosen?
- How do people within the institution relate to each other?
- How do these institutions relate to each other?
- How do these institutions relate to society?

Section Four: Measuring Governance

We have just looked at a range of problems that can affect governments. But a few examples of governance problems probably aren't enough for us to say whether there is a serious governance problem throughout the government as opposed to just an isolated problem in a few different institutions. To have a better understanding of a government's performance overall and of the problems that need to be addressed, we need a way to measure governance. A research team at the World Bank has recently come up with one way of measuring governance. The team looked at three aspects of a government's use of authority:

- How governments are put in place,
- How well the government can make and implement sound policies, and
- How much respect people have for the government.

The research team came up with ways to measure each of these aspects. For example, when we consider how governments are put in place (aspect 1), we measure the amount of input citizens have in the election of their leaders and how accountable political leaders are to their people. We also measure the stability of the government or the amount of violence in a country since these can be used to evaluate whether people think the government selection process is legitimate. When we turn to how well the government can make and implement sound policies (aspect 2), we measure government effectiveness and the burden that is created for businesses by government regulations. For how much respect people have for the government (aspect 3), we examine the rule of law and corruption control. We can look at each of these measures separately or we can group them together and get a single mark for governance in a country.



In order to measure these characteristics of government, we need to have information. Since what we are measuring is the relationship among officials as well as between officials and citizens, we need to ask all the groups for information. To do this, we conduct surveys of experts, officials, people, and firms. To explore such data, including graphics and maps, visit the WBI website at: www.worldbank.org/wbi/governance/datasets.htm.



Exercise

Working in small groups, devise a system for measuring governance. Think of clear criteria you can use to evaluate how well a government is performing. Then using these criteria, describe the government's performance in your country, looking first at your national government and then at your local municipality. We encourage you to talk to people that you know and look in the newspaper to get more information on how the government is performing in certain areas.

Using a scale of 1 to 5, with 1 being the lowest score and 5 the highest you can give, rate the governance of your national government. Now rate the governance of your city government. How do the two scores compare?

In class, each group will have the opportunity to present their ratings. How similar are the scores?

Section Five: Corruption as a Key Governance Problem

As we saw above, corruption is one of several governance problems. It is a deep-seated problem, rather than merely the workings of a few bad individuals. If we are going to reduce corruption, the key will be to figure out exactly where the governance problem exists and to take steps to reduce or eliminate the problem. Like most governance problems, fighting corruption will usually require the participation of all groups that are involved—officials, businessmen, leaders of the community, and individuals. How we approach corruption will be the focus of the remaining sessions in this course.



Exercise

The following article details corruption in the police, healthcare system and schools in Russia. These institutions should perform key functions in society, namely provide security, healthcare and education. However, corruption undermines their function and the results are disastrous.

After reading the article, think about what it means to say corruption is a governance problem. Why is corruption not just an issue of corrupt individuals?

Corruption in Russia

In the Russian police force, superior officers will ask for money from the lower ranks, so rank and file officers will take a bribe, which they pass on to their superior officer. Money collected in this way is used for officers' birthday parties, social obligations, and other occasions.

People who are very sick are not treated unless a bribe is paid. In one case, a very sick woman was only treated after giving the doctor a \$400 bribe.



Professors and schools will ask huge amounts of money for admission into Russia's top institutions. Figures of \$20,000–\$25,000 are standard for entry into the top schools

Figures published by the Indem think-tank in Moscow show the scale of corruption in the country. Russians pay \$398 million a year to traffic cops and ordinary police, another \$602 million on medical treatment in the ostensibly free health system, and approximately \$519 million to get into the best schools and universities.

This article in its original form was published by the BBC. The original article can be found at <http://news.bbc.co.uk/2/hi/world/europe/2078870.stm>.



Exercise

Before moving onto the topic of corruption per se, we'd like you to reflect on the content of the governance sessions we've just completed.

- How are issues of governance important to you on a personal level?
- How useful did you find the discussions so far?
- What points would you like to see further emphasized during the course?

