

YANGON UNIVERSITY OF ECONOMICS

Department of Economics

Ph.D Programme

An Analysis on Good Governance Practices in Myanmar

(2011-2016)

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4-Par (Thu) Ba-1

Economics

June, 2017

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A thesis submitted as a partial fulfillment towards the requirements for the Degree of Doctor of Philosophy (PhD) in Economics.

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June, 2017

Abstract

Good governance practices have become more compelling agenda of societies in both developed and developing countries. Development cannot be achieved without good governance and clean government, which is composed of competence and honesty, public accountability, broader participation in discussion and decision-making on conceptual issues. As Myanmar is now moving forward to build a modern developed and democratic nation, the step of the road map, under the guidance of new union government, the most important task of the new administration is to work together to create good governance and clean government. Therefore, a study is made to examine how the new government has passed the five-year term of administration. In order to find out the status of the governance of this country, the strengths and weaknesses and how much the government has covered to reform the country in order that Myanmar can stand as a pure democratic state paving its way to the development of the country are being studied.

The objectives of the study are: to examine how Myanmar is moving towards achieving good governance with special emphasis on the new democratic government era 2011 to 2016, and to analyze the good governance practices of some ministries from the perception of such practices by their officers.

According to the Worldwide Governance Indicators, it is found that Myanmar's indexes are not in a favorable position and it can even be stated that they all are still in a weak position and in future, Myanmar has to put much effort concerning good government practices.

A survey is also conducted in five ministries using the UNDP's eight characteristics of good governance practices. According to the survey, MNPED and MOHA have good mean scores in all items but the remaining three ministries are not strong enough in items such as requirements and problems of the staff assessed before proclaiming the rules and regulations, any re-evaluation on perception, attitude and emotion of staffs on this rules and regulations, and attitude and visions of other outside organizations connected with the respective ministry.

Acknowledgements

First and foremost, I would like to express my thanks and deep appreciation to the Yangon University of Economics and PhD Programme Committee for providing me with the opportunity to undertake this degree. I would also like to express my sincere appreciation to Professor Dr. Khin San Yee, Former Rector of Yangon University of Economics for her moral support to encourage me.

Moreover, my special thanks are owed to Professor Dr. Khin Naing Oo, Rector and Professor Dr. Tun Aung, Pro-rector of Yangon University of Economics for their kind encouragement and support in the development of this thesis.

I am also grateful to Professor Dr. Kyaw Min Htun, Pro-rector (Retd.) of Yangon University of Economics for his invaluable suggestion and guidance throughout the preparation of this thesis. It would not probably been completed without such guidance.

I also express my thanks to my supervisor, Professor Dr. Thida Kyu, Head of Department, Department of Economics, Yangon University of Economics for her invaluable supervision and continuous support to improve this thesis.

I am also grateful to my co-supervisor, Daw Khin Chaw Myint, Associate Professor (Retd.), Department of Applied Economics, Yangon University of Economics for her invaluable guidance and for giving her precious time to give suggestions whenever I need to improve my thesis.

And I would like to express my special thanks to Daw Than Than Myint from Ministry of Education, Dr. Myat Wunna Soe from Ministry of Health, Daw Saw Nan Nwe from Ministry of National Planning and Economic Development, U Aung Soe Oo from Ministry of Home Affairs, and U Thiha Hlaing from Ministry of Electric Power who supported their efforts in conducting the survey for thesis.

Finally, I offer my deep gratitude and grateful thanks to all respondents and those concerned, who contributed directly or indirectly to my study.

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List of Abbreviations

ABRI	- Armed Forces (Indonesian Language)
ADB	- Asia Development Bank
BPS	- Central Statistics Bureau (Indonesian Language)
BSPP	- Burma Socialist Programme Party
CDF	- Comprehensive Development Framework
CEP	- Currently Estimated Potential
CPI	- Corruption Perception Index
CSOs	- Civil Service Organizations
DPR	- House of Representatives (Indonesian Language)
ESC	- Education Service Commission
FESR	- Framework for Economic and Social Reforms
GDP	- Gross Domestic Product
IDI	- Indonesian Democracy Index
IMF	- International Monetary Fund
LDCs	- Less Developed Countries
MDGs	- Millennium Development Goals
MNHRC	- Myanmar National Human Rights Commission
MNPED	- Ministry of National Planning and Economic Development
MOE	- Ministry of Education
MOEP	- Ministry of Electric Power
MOH	- Ministry of Health
MOHA	- Ministry of Home Affairs
MPH	- Meritocracy, Pragmatism and Honesty
MPR	- People's Consultative Assembly (Indonesian Language)
MPs	- Members of Parliament
NDPA	- National Development Planning Agency
NGOs	- Non-Government Organizations
NICs	- Newly Industrialized Countries
OECD	- Organization for Economic Cooperation and Development
PAP	- People's Action Party

CHAPTER I

INTRODUCTION

Development cannot be achieved without good governance and clean government, which is composed of competence and honesty, public accountability, broader participation in discussion and decision-making on conceptual issues. Good governance with clean government establishes a framework for fighting poverty and inequality. The concept of good governance is complex and controversial.

Governance and good governance practices have become more compelling agenda of societies in both developed and developing countries in new millennium.¹ The context of governance and its processes during the past two decades have become significant and important denominators of efficiency in the dynamics of nation states and in the management of public and international affairs. The concept of governance is not new and it is as old as human civilization. Its general meaning is the process of decision-making and the process by which decisions are implemented (or not implemented).² It refers to the formal and informal arrangements that determine how public decisions are made and how public actions are carried out from the perspective of maintaining a country's constitutional values.³

There is an essential difference between government and governance. Government refers to the patterns of executing authority – political, economic and administrative – by a government. Governance is a picture of how entities of a country manage that authority fairly and accountably.

¹ UNDP (2005)

² UNESCAP (2010), Wikipedia (2011)

³ Mimicopoulos and Kyj (2007)

Governments everywhere – in both developed and developing nations – are powerful institutions run by the bureaucrats. Expanding governmental functions have brought their trail bureaucratic expansion, and the bureaucracies have a constant impact on the quality of life of the citizens. There is, therefore, an increasing concern today about how the bureaucracies are using power.

The terms governance and good governance are being increasingly used in development literature. Bad governance is being increasingly regarded as one of the root causes of all evil within the whole societies and good governance matters is essential for sustained growth and development.

Good governance is an essential factor to the success of any endeavor, whether in the public sector or non-governmental sectors. The presence of good governance practices clarifies authority, simplifies decision-making, and ensures people and organizations are accountable for their actions and decisions.⁴ In the development context, studies indicate a direct relationship among good governance, stable governments and better social and economic outcomes such as higher per capita income, lower infant mortality, and higher literacy rates. Good governance has been acknowledged as a pre-requisite for sustainable development.⁵

The United Nations has considered good governance as an essential component of the Millennium Development Goals (MDGs), because good governance establishes a framework for fighting poverty, inequality, and many of humanities' other shortcomings.⁶ Research evidence points to a very high development dividend from good governance.

Moreover, interactions, relationships and networks between the different sectors (governments, public sectors, private sectors and civil societies) are critical of the establishment of governance since it involves decisions, negotiation, and different power relations between stakeholders to determine who gets what, when and how.⁷ Governance is therefore much more than government or good government and shapes the service or

⁴ Institute of Governance (2011)

⁵ Sanday (2003)

⁶ United Nations Department of Economic and Social Affairs (2007)

⁷ Wilde, Narang, Laberge and Moretto (2004)

set of services are planned, managed and regulated within a set of political, social and economic systems.

Government is one of the actors in governance; its actors can vary from simple to complex, based on the level of governance. In rural areas, for example, other actors may include influential landlords, association of peasant farmers, cooperatives, NGOs, research institutes, religious leaders, financial institutions, political parties and the military, etc. the situation in urban areas is more complex. At the national level, in addition to the above actors, media, lobbyists, international donors, multinational corporations, etc. may play an important role in decision-making or in influencing the decision-making process.⁸

1.1 Rationale of the Study

Realizing the importance of governance in all countries, many international organizations (such as World Bank, UNDP, ADB) have been trying to measure the national level governance of member countries using their own distinct methodology and approach.⁹ Poor governance holds back and distorts the process of development, and has a disproportionate impact on the poorer and weaker section of society. Assisting developing countries in improving governance is therefore a strategic priority of ADB in its work to eliminate poverty in Asia and the Pacific.¹⁰

However, the governance evaluation debate can be split into local and global. Local assessment is increasing in flexibility and relevance, while global assessment is moving towards standardization and better trend analysis. Yet it may be possible to design a new data set that is both comprehensive and relevant.¹¹

In the last decade, the concept of democratic local governance has become an integral part of local development approaches, and it has provided a basic rationale for donors support to decentralization reforms and local governments' capacity building. The

⁸ UNESCAP (2011)

⁹ Governance and Social Development Resource Centre (2011)

¹⁰ ADB (2010)

¹¹ Mimicopoulos and Kyj (2007)

concept of good governance at local levels denotes quality, effectiveness, and efficiency of local administration and public service delivery; the quality of local public policy and decision-making procedures, their inclusiveness, their transparency, and their accountability; and their manner in which power and authority are exercised at the local level.¹² Therefore, assessing not only the aggregate nationwide governance, but also local governing practices of institutions, civil societies, and the public are quite important in economic development of the countries.

Since the late eighties and early nineties, the world has been witnessing a change in paradigm. A new values system based on empowerment, participation, accountability and transparency are replacing traditional institutional and regulatory frameworks of rules and knowledge management. It was a revival in demand to reinvent government in a way to make it more effective, more democratic and more transparent.¹³

The concept of governance therefore emerged. United Nations Development Programme (UNDP) defines as the exercise of economic, political and administrative authority in managing a country's affairs at all levels. It embraces the mechanisms, processes and institutions, through which citizens and groups articulate their interest, exercise their legal rights, meet their obligations and mediate their differences.¹⁴

Although the quality of governance is an issue of increasing concern in countries around the world, both developed and developing, a lack of systematic data, both overtime within countries as well as between countries around the world, ensure that fundamental questions remain to be answered adequately.¹⁵ The World Bank and other research enterprises have reshaped the framework within which governance reforms are implemented, not only by giving a better and deeper understanding of countries and institutions' strengths and weaknesses, but also by offering insights and evidences of how reforms can generate development dividends.

The state, that is, the functioning of executive branches and their bureaucracies, has received relatively little attention in contemporary political science. Since the onset of the

¹² Wilde, Narang, Laberge and Moretto (2004)

¹³ Sharawy, Salwa, and Others (2001)

¹⁴ UNDP (2005)

¹⁵ Court (2002)

Third Wave of democratizations now more than a generation ago, the overwhelming emphasis in comparative politics has been on democracy, transitions to democracy, human rights, transitional justice, and the like. Studies of non-democratic countries focus on issues like authoritarian persistence, meaning that the focus still remains the question of democracy in the long run or democratic transition. In other words, everyone is interested in studying political institutions that limit or check power – democratic accountability and rule of law – but very few people pay attention to the institution that accumulates and uses power, the state.¹⁶

The relative emphasis on checking institutions rather than power-deploying institutions is evident in the governance measures that have been developed in recent years. World Bank Institute's Worldwide Governance Indicators purport to measure aspects of state capacity such as government effectiveness, regulatory quality, and stability and absence of violence, control of corruption. Quality of Government Institute in Gothenberg has developed a set of measures of quality of governance for 136 countries worldwide, as well as a more detailed survey of 172 regions within the European Union. It is based again on expert surveys focusing on the degree of a state's impartiality, which Rothstein argues is a proxy for overall state quality.¹⁷

Myanmar is now moving forward to build modern developed and democratic nation, the step of the road map, under the guidance of new union government. The most important task of the new administration is to work together to create good governance and clean government. To do so, government must be transparent, accountable and consistent with the existing law. Government is expected to be men and women of high moral character and integrity since the ethical climate has a positive influence on organizational performance.

Myanmar is a country that has experienced many successive governments since it gained independence in 1948. The post-independence government was the parliamentary government that ruled till 1962, where there was a caretaker government taking responsibility between 1958 and 1960. After this, Myanmar was under military backed

¹⁶ Francis Fukuyama (2013)

¹⁷ Francis Fukuyama (2013)

governments taking hold of power from 1962 to 1988 and then again from 1988 to 2011. Only after this, that the country has its first freely elected government in 2011, but still the majority of the government's members are from the previous governments who participated in the election under the Union Solidarity and Development Party (USDP). It could be seen that Myanmar is a country with centralized control by military rule and military backed governments for nearly 50 years. Therefore, most of the years after independence (63 years) had been under a centralized system including a self-reliance system rooting on as a closed economy.

Myanmar is therefore, with military administration for a long period, has been still intact with this system when it first has its transition from a military backed government to a democratic government. Thus, the new government (2011 to 2016) has to make reforms in all aspects for the stability and development of the country. Though it is dependent, it still is overshadowed by the previous government's attitudes and actions whereby making some actions and functions of the new government are somehow have to face difficulties to implement and hindered. Then, with all representatives of the government comprising those from the previous government, elected members, and 25% of the union assembly being military personnel showed that there are many obstacles for the new government to follow the path of good governance and clean government.

Therefore, it is needed to study how the new government has passed the five-year term of administration such that it is required to find out the status of the governance of this country, the strengths and weaknesses and how much the government has covered to reform the country in order that Myanmar can stand as a pure democratic state paving its way to the development of the country.

1.2 Objective of the study

The objectives of the study are:

- To examine how Myanmar is moving towards achieving good governance with special emphasis on the new democratic government era 2011 to 2016, and

- To analyze the good governance practices of some ministries from the perception of such practices by their officers.

1.3 Method of Study

In order to meet the objectives of the study, relevant information, concepts and theories for the research from relevant publications, Internet Websites are first obtained as supportive references as well as relevant citations. Descriptive method is especially used for this study because most of the data and literature are secondary from publications and Internet Websites. A survey was conducted to identify the perception of good governance practices in some selected ministries. Necessary data were collected by using standardized and pretested self-administered questionnaire.

This research has made a study using secondary data from the World Bank in order to observe the Worldwide Governance Indicators which are calculated based on the World Bank's six dimensions such as voice and accountability, political stability and absence of violence, government effectiveness, regulatory quality, rule of law and control of corruption.

Moreover, the survey under study is conducted by using the UNDP's eight characteristics of good governance. These characteristics include transparency, participation, accountability, consensus oriented, responsiveness, equitable and inclusiveness, rule of law and effectiveness and efficiency.

1.4 Scope and Limitations of the Study

This study focused only on good governance practices in Myanmar from 2011 to 2016 during which the new democratic government was elected. Before that period, Myanmar was in the experiences of military government rule from 1988 – 2010, was not included in this study. Moreover, a survey was conducted on government officers of head offices from selected ministries in order to obtain the perceptions of these officers on governance practices. The limitation is that the survey was conducted only on the above

mentioned officers and those from other departments and other branch offices from State and Regions of these ministries are not included in this study.

1.5 Organization of the Study

This study is organized by (6) chapters. Chapter (1) is Introduction chapter which includes rational, objectives, method, scope and limitations, and organization of this study. Chapter (2) presents the literature review that is related the governance practices and government structure. Chapter (3) describes with Review on Good Governance Practices in Singapore and Indonesia as a comparison and to know how to learn for the good governance practices for Myanmar. In chapter (4), Myanmar government structure and governance system is overviewed and citizens' view on transparency and accountability of States and Regions government. Chapter (5) is survey analysis on good governance practices in some ministries from the perceptions of their officers. The findings and recommendations are mentioned in chapter (6).

CHAPTER II

LITERATURE REVIEW

The concept of good governance is not new. While its origins may be traced to the Greek city-states, its meaning, purpose, execution, performance and scope have evolved over the centuries, reflecting specific concerns and changing circumstances. The concept has steadily entrenched itself in political debates around the world. Moreover, it has attained universality as a core indicator of adherence to the rule of law and democracy.

Furthermore, the notion of good governance has become a necessary condition for providing an enabling environment for sustainable human development and poverty reduction. While it is stunning how quickly good governance became a catchphrase in the last decades and achieved prominence in international discourse, there has hardly been a consensus as to its meaning, and the mechanism of its application.

2.1 Governance: Definitions and Concepts

The word governance derives from the Greek verb which means to steer and was used for the first time in a metaphorical sense by Plato. It then passed on to Latin and then to many languages.¹⁸ Governance refers to all processes of governing, whether undertaken by a government, market or network, whether over a family, tribe, formal or informal organization or territory and whether through laws, norms, power or languages.¹⁹

Governance can be used in several contexts such as corporate governance, international governance, national governance and local governance. Since governance is the process of decision-making and the process by which decisions are implemented, an analysis of governance focuses on the formal and informal actors involved in decision-making and implementing the decisions that are made, and the formal and informal structures that have been set in place to arrive at and implement the decisions.²⁰

The concept of governance is conceived broadly as the exercise of political, economic and administrative authority to manage a nation's affairs as well as the exercise of control in a society in relation to the management of its resources for social and economic development.²¹

Governance is defined as a government's ability to make and enforce rules and to deliver services, regardless of whether that government is democratic or not. Governance is about the performance of agents in carrying out the wishes of principals, and not about

¹⁸Wikipedia

¹⁹Bevir Mark (2013)

²⁰UNESCAP (2011)

²¹ Schneider (1999)

the goals that principals set. The government is an organization which can do its functions better not worse; governance is thus about execution, or what traditionally fall within the domain of public administration, as opposed to politics.²²

Governance means the traditions and institutions by which authority in a country is exercised. This includes the process by which governments are selected, monitored and replaced; the capacity of the governments to effectively formulate and implement sound policies; and the respect of citizens and the state for the institutions that govern economic and social interactions among them.²³

Governance can be seen as the exercise of economic, political and administrative authority to manage a country's affairs at all levels. It comprises the concept of governance, processes and institutions, through which citizens and groups articulate their interests, exercise their legal rights, meet their obligations and mediate their differences.

Governance is a very broad concept, and operates at every level, such as household, village, municipality, nation, region or global. Traditionally, public administration and contemporary governments have been rooted in the practice and observe of the compelling values of efficiency, effectiveness and economy in the management of public affairs. These have been generally regarded and accepted as the three E's of government and of public administration.

In recent years, however, the management of public affairs and the structure and processes of governments and their bureaucracies have increasingly highlighted the significance of the overarching values of responsibility, responsiveness and representativeness. These are now encased in what has been termed as the "three E's" of public administration and governance practice and are considered as compelling values that must be maximized to support and complement the traditional management. In fact, governance may as well be a catch-all term to cover various activities in the relationships of citizens with which other, and with their governments, as well as the accountability of leaders in the management of societies.²⁴

²²Francis Fukuyama (2013)

²³Kaufmann, Kraay and Zoido-Lobato (1999)

²⁴UNDP (2005)

Governance principles have evolved as defining standards by which relationships between governments and their citizens, between rulers and ruled, between the governors and governed, are measured and understood. For the most part, governance practices have emerged as determinants of a country's adherence to established democratic principles and ideas, and consequently, its respect for basic freedom and human rights.

Although there are many broad definitions of governance, the degree of definitional disagreement can easily be overstated. Most definitions appropriately emphasize the importance of a capable state that is accountable to citizens and operating under the rule of law. Broad principles of governance along these lines are naturally not amenable to direct observation and thus to direct measurement.²⁵

There are many ways to define governance and the followings are some of the definitions stated by various organizations.

In the last half-century, the World Bank has developed a better understanding of what helps governments function effectively and achieve economic progress. In the development community is essentially the combination of transparent and accountable institutions; strong skills and competence, and a fundamental willingness to do the right thing.

The World Bank defines governance as the manner in which power is exercised in the management of a country's economic and social resources and capacity of governments to design, formulate and implement policies and discharge functions in the political regime. It also means that governance as the exercise of political authority and the use of institutional resources to manage society's problems and affairs. The Worldwide Governance Indicators (WGI) project of the World Bank group defines governance as the traditional and institutions by which authority in a country is exercised.²⁶ This considers the process by which governments are selected, monitored and replaced; the capacity of a government to effectively formulate and implement sound policies and the respect of the citizens and the state of the institutions that govern economic and social interactions among them. An alternate definition sees governance as

²⁵Kaufmann and Kraay (2007)

²⁶World Bank (2007)

the use of institutions, structures of authority and even collaboration to allocate resources and coordinate or control activity in society or the economy.²⁷

According to the United Nations Development Programme (UNDP)'s Regional Project on Local Governance for Latin America, governance has been defined as the rule of the political system to solve conflicts between actors and adopt decision (legality). It has also been used to describe the proper functioning of institutions and their acceptance by the public (legitimacy) and it has been used to invoke the efficacy of government and the achievement of consensus by democratic means (participation). Moreover, governance is a political issue. It deals with power relations between central and local governments, between various actors in society (government, private sector and citizens) and between donor agencies and countries in which they work.²⁸

From the Organization for Economic Cooperation and Development (OECD)'s point of view, the concept of governance denotes the use of political authority and exercise of control in a society in relation to the management of its resources and economic development. This encompasses the role of public authorities in establishing the environment in which economic operators function and in determining the distribution of benefits as well as the nature of the relationship between the rulers and the ruled.²⁹

By the mid-1990s, the UNDP and the Organization for Economic Cooperation and Development (OECD) expanded the conception of good governance to include new elements such as participation, transparency and accountability. By 2000, more elements had been added to the concept and the focus extended beyond government and institutions to include the private sector and social society (non-governmental organizations). Moreover, in addition to the basics of transparency and accountability and civil society, a new dimension was later introduced in light of the financial crises at the end of the 1990s, namely, predictability. This last element led to a call for improvement in financial frameworks and corporate governance.

²⁷The World Bank Group (2011)

²⁸UNDP (2008)

²⁹OECD (1996)

Finally, Asian Development Bank (ADB) defines the term governance as different things to different people and one definition that appears the most appropriate from the viewpoint of the Bank is the manner in which power is exercised in the management of a country's economic and social resources for development.³⁰ The future will definitely witness the emergence of additional new elements to the concept of good governance. However, the most important indicators are already highlighted in the various definitions presented till today by international organizations focusing on transparency, accountability, participation and rule of law. Accordingly, it is important to start by highlighting the general academic definition of the concept and then explore the definitions of the most prominent international organizations.

Due to the inherent diversity in national traditions and public cultures, there exist many definitions of governance in the literature, but it is possible to isolate just three main types of governance: political, economic and social governance.³¹

Political or public governance, whose authority is the State, government or public sector, relates to the process by which a society organizes its affairs and manages itself. The public sector could be defined as activities that are undertaken with public fund, whether within or outside of core government, and whether those funds represent a direct transfer or are provided in the form of an implicit guarantee.

A separation of powers between judicial, legislative and executive branches should be maintained and the state should correspond to the interests of its people and allow its citizens to freely elect their representatives. Administrative governance which consists of policy implementation carried out through an efficient, independent, accountable and open public sector.³² Economic governance, whose authority is the private sector, relates to the policies, the processes or organizational mechanisms that are necessary to produce and distribute goods and services. It includes the processes of decision-making that directly or indirectly affect a country's economy. Social governance, whose authority is the civil society, including citizens and non-profit organizations,

³⁰ADB (2010)

³¹UN Department of Economic and Social Affairs (2007)

³² UNDP (1997)

relates to a system of values and beliefs that are necessary for social behaviors to happen or for public decisions to be taken.

As the three aspects of governance are interdependent in a society, governance should not be reduced in government. Indeed, social governance provides a moral foundation, while economic governance provides a material foundation, and political governance guarantees the order and the cohesion of a society. However, the differences in the importance given to each of these three actors lead to some nuances in the definitions of governance. On the one hand, considering these three actors at the same levels leaves the concept of governance neutral. The governance is the process whereby a society makes important decisions, determines whom they involve, and how they render account. More precisely, governance comprises complex mechanisms, processes, relationships and institutions through which citizens and groups articulate their interests, exercise their rights and obligations, and mediate their differences. On the other hand, identifying some differences in the role and importance of public, social and economic governance in a society leads to accepting the preeminence of public governance. As it provides the organizational dynamics and political and jurisdictional systems for both social and economic governance, the State plays a more important role than the civil society or the private sector.³³

Therefore, governance is not just about how a government and social organizations interact, and how they relate to citizens, but it concerns the State's ability to serve citizens and other actors, as well as the manner in which public functions are carried out, public resources are managed and public regulatory powers are exercised.³⁴

In this context, governance includes process by which those in authority are selected, monitored and replaced, the capacity of the government to effectively manage its resources and implement sound policies, and the respect of the citizens and the state for the institutions that govern economic and social interaction among them.³⁵

³³UN Department of Economic and Social Affairs (2007)

³⁴European Commission (2003) is cited by UN Department of Economic and Social Affairs (2007)

³⁵UN Department of Economic and Social Affairs (2007)

Measuring Governance

The most classic effort to define governance in terms of procedures was Max Weber's famous characterization of modern democracy in economy and society. The characterizations of governance are as follows:

1. Bureaucrats personally free and subject to authority only within a defined area;
2. They are organized into a clearly defined hierarchy of offices;
3. Each office has a defined sphere of competence;
4. Offices are filled by free contractual relationship;
5. Candidates selected on basis of technical qualifications;
6. Bureaucrats are remunerated by fixed salaries;
7. The office treated as the sole occupation of the incumbent;
8. The office constitutes a career;
9. There is a separation between ownership and management;
10. Officials subject to strict discipline and control.³⁶

Several efforts have been conducted in the research and international development community in order to assess and measure the quality of governance of countries all around the world.³⁷

Measuring governance is inherently a controversial and political exercise. A distinction is therefore made between external assessments, peer assessments and self-assessments. One of these efforts to create an internationally comparable measure of governance is the Worldwide Governance Indicators developed by members of World Bank and the World Bank Institute. It reports aggregate and individual indicators for more than 200 countries for six dimension of governance: voice and accountability, political stability and lack of violence, government effectiveness, and regulatory quality, rule of law and control of corruption.³⁸

The Worldwide Governance Indicators (WGIs) have been developed and is open for improvement through public participation. The following domains, in the form of

³⁶Francis Fukuyama (2013)

³⁷Wikipedia

³⁸Wikipedia

indicators and composite indexes, were selected to achieve the development of the WGI: Peace and Security, Rule of Law, Human Rights and Participation, Sustainable Development and Human Development.³⁹ According to the WGI report, six aggregate governance indicators, namely: Voice and Accountability, Political Stability and Absence of Violence, Government Effectiveness, Regulatory Quality, Rule of Law and Control of Corruption are usually used.

Additionally, in 2009 the Bertelsmann Foundation published the Sustainable Governance Indicators (SGI), which systematically measures the need for reform and the capacity for reform within the Organization for Economic Cooperation and Development (OECD) countries. The project examines to what extent governments can identify, formulate and implement effective reform that render a society well-equipped to meet future challenges, and ensure their future viability.⁴⁰

2.2 Difference between Government and Governance

Government means legislative, executive, and judiciary as three elements of its roles and also includes law and order machinery. People's growing disenchantment with post-colonial government in delivering rapid socio-economic development of the masses has led to the emergence of the concept of governance. Governance is seen as the joint responsibility of the governments, private business and civil society.

According to the governance working group of the International Institute of Administrative Sciences, Governance refers to the process whereby elements in society widely power and authority and influence and enacts policies and decisions concerning public life and economic and social development. Governance is a broader notion than Government. Governance involves interaction between these formal institutions and those of civil society. Governance is seen as the traditions and institutions by which authority in a country is exercised. This includes (1) the process, by which authority governments are selected, monitored and replaced, (2) the capacity of the government to

³⁹World Governance Index Report2009

⁴⁰Empter, Stefan, Janning, Josef (2009)

effectively formulate and implement sound policies and (3) the respect of citizens and the state for the institutions that govern economic and social interactions among them.

The conceptualization of the term governance, indeed demands for a full understanding of what governance is and the difference between government and governance because there is a common trend of equating government with governance. For this purpose, both the term governance and government are being defined below.⁴¹

Government is described as the repository of confidence and power of the people delegated by them for a fixed period of time for the express purpose of identifying, mobilizing, organizing, guiding and directing all available resources, human and others, to facilitate planned and participatory transformation of their society towards enhanced well-being of its people, via just enjoyment of all its needs, rights, aspirations and sustainable peace.

Governments are necessarily political regimes pursuing a course of development action that they consider as most suited within the construct and form of their society and its constitution. Government comprises the constitution and laws, institutions and structures, management mechanisms and administrative processes. These are devolutionary instruments that make a government participatory and responsive.

Governance, on the other hand, is the sum of cumulative practice of behavior and attitude of the government as seen in the manner they create and use the said evolutionary instruments: form, style, systems, methods and procedures of government generally reflect the pattern of governance in a nation or city. The quality and effectiveness of governance depend mostly on how judiciously the government uses the said instruments to help people achieve the ultimate goal of their progress- justice, equity and peace.

According to LDC Report, governance practices can be seen as good and bad as shown in Table (2.1)

⁴¹Uddin, S. M. Anoar, (2010)

Table (2.1) Good and Bad Governance Practices

Good governance	Bad Governance
Authority is institutional, resides with official roles	Authority is personal, resides with individuals
Political leaders share power with others and are accountable for actions	Political leaders monopolize power and are unaccountable for their actions
Leaders hold onto power by providing collective benefits that earn support of large segments of society	Leaders hold onto power by providing personal favors that secure the loyalty of key followers
Policy decisions are taken in the open after public discussion and review	Policy decisions are taken in secret without public involvement
Decision-making standards are explicit and procedures are transparent	Decision-making standards are tacit and procedures are indecipherable
Political parties are organized around stated programs that affect large numbers of beneficiaries defined by universalistic or generic categories	Political parties are organized around personalities and the distribution of individual benefits
Political campaigns are financed by many small, unconcealed donations	Political campaigns are financed by a few large, secret donations
Elections are free, fair and open Civil engineering projects are disbursed to serve the interests of large portions of the country's citizenry	Elections are marked by intimidation, vote buying and fraud Civil engineering projects are geographically targeted to serve the interests of small portions of the country's citizenry
Administrators are recruited and promoted in competitive processes that judge their merit and expertise	Administrators are recruited and promoted as reward for personal connections with political leaders
There is an authorized administrative hierarchy with clear division of labor, specific standards for output and well-defined reporting channels	There is an unspoken administrative hierarchy, with little specialization or specification of output and uncertain reporting channels
Administrators can only be dismissed with cause Administrators are prohibited from supplementing their salary	Administrators can be dismissed for no reason Administrators supplement their salary with bribes and kickbacks
Administrators' actions are predictable, based on objective methods and follow uniform procedures	Administrators' actions are arbitrary, based on subjective reasoning, and follow ad hoc procedures
Rules are applied with neutrality and all citizens receive equal treatment	Rules are applied with partiality, and people with close ties to Government get preferential treatment
Binding legal contracts are used in Government procurement and sales	Verbal agreements are used in Government procurement and sales
Internal controls are strict, thorough records are maintained and regularly audited	Internal controls are lax, documentation is spotty with sensitive matters left off the books
Citizens have appeal channels if given poor service	Subjects have little recourse for poor service

Source: LDC Report (2009)

2.3 Good Governance

2.3.1 The Meaning of Good Governance

In the present era, the terms governance and good governance are being increasingly used in development literature. Bad governance is being increasingly regarded as one of the root causes of all evil within our societies. There is common tendency to use governance as a synonym for government by whom. This confusion of terms can have unfortunate consequences. The concept of governance is as old as human civilization.⁴²

It is mentioned that, sometimes governance and government are used interchangeably, possibly because the former is regarded as a useful buzz-word. Usually governance means government plus something else: public policies, institutions, and a system of economic relationships or a role for the non-governmental sector in the business of the state.⁴³

This view of governance recognizes the importance for development of institutions, particularly private property and the rule of law. Governance has been defined as a network of government, private and non-governmental bodies that have a role to play in the formulation and implementation of public policy and the delivery of public services. Government is therefore one of the most important actors in governance. The other actors involved in governance vary depending on the level of government that is under discussion.

Good governance is, among other things, participatory, transparent and accountable. It is also effective and equitable, and promotes the rules of law fairly. Good governance ensures that the voices of the poorest and the most vulnerable are heard in decision-making over the allocation of development resources, and that political, social and economic priorities are based on broad consensus among the three stakeholders the state, private sector and civil society.⁴⁴ All three stakeholders are critical for sustaining

⁴²Plumptre and Graham (1999)

⁴³Smith (2007)

⁴⁴UN Department of Economic and Social Affairs (2007)

human development: the state creates a conducive, political and legal environment; the private sector generates jobs and income; and civil society facilitates political and social interaction. With the advent of globalization and the integration of economies, the state's task is also to find a balance between taking advantage of emerging market opportunities and providing a secure and stable a social and economic environment domestically.⁴⁵

Hence state should be assessed on both the quality and the quantity of public goods provided to citizens.⁴⁶ The policies that supply public goods are guided by principles such as human rights, democratization and democracy, transparency, participation and decentralized power sharing, sound public administration, accountability, rule of law, effectiveness, equity, and strategic vision.⁴⁷

The Human Development Report issued in 2002 insists on good governance as democratic exigencies, in order to rid society of corruption, give people the rights, the means, and the capacity to participate in the decisions that affect their lives and to hold their governments accountable for what they do. Good governance promotes gender equality, sustains the environment, enables citizens to exercise personal freedoms, and provides tools to reduce poverty, deprivation, unfair, and violence. The UN views good governance as participatory, transparent and accountable. It encompasses state institutions and their operation and includes private sector and civil society organizations.⁴⁸

The document of the Asian Development Bank on Governance in Asia: From crisis to opportunity states the instrumental nature of governance with its four pillars namely, accountability, transparency, predictability and participation. These are universally applicable regardless of economic orientation, strategic priorities, or policy choices of the government in question. However, the applications must be capacity of the country – specific and purely based on the economic, social and administrative capacity of the country. The universal accepted characteristics of good governance include

⁴⁵ UNDP (1997)

⁴⁶ Rotberg (2004-05) UNDESA (2007)

⁴⁷ Cheema (2005) UNDESA (2007)

⁴⁸ Human Development Report (2002)

participation, rule of law, transparency, responsiveness, equity, inclusiveness, effectiveness, efficiency and accountability.⁴⁹

Governance is good when it allocates and manages resources to respond to collective problems, in other words, when a State efficiently provides public goods of necessary quality to its citizens.

Good governance is not only for a type of government and its related political values but also for certain kinds of additional components. It implies government that is democratically organized within a democratic political culture and with efficient administrative organizations, plus the right policies, particularly in the economic sphere.

At the constitutional level, good governance requires changes that will strengthen the accountability of political leaders to the people, ensure respect for human rights, strengthen the rule of law and decentralize political authority. At the political and organizational level, good governance requires three attributes which are common to the governance agendas of most aid agencies: political pluralism, opportunities for extensive participation in politics, and uprightness and incorruptibility in the use of public powers and offices by servants of the state. At another level of understanding is Administration. So administratively, good governance requires accountable and transparent public administration; and effective public management, including a capacity to design good policies as well as to implement them.

The UNDP defined good governance as: The exercise of political, economic and administrative authority to manage a nation's affairs is the complex mechanisms, processes, relationships and groups articulate their interests, exercise their rights and obligations and mediate their differences.

USAID considers good governance as a governmental tool only, whereas the WB views it as a main driver for economic growth. As for UNDP, it is a medium to achieve human development. Finally, UNOHCHR deems it as a precondition for the protection of human rights. USAID defines the concept of good governance as a complex form of interactions among structures, traditions, functions (responsibilities), and processes

⁴⁹ UN, Economic and Social Commission for Asia and the Pacific (2007)

(practices) characterized by three key values of accountability, transparency and participation.⁵⁰

The World Bank provides a set of different definitions, the most prominent one states that good governance is epitomized by predictable, open and enlightened policy-making, a bureaucracy imbued with professional ethos acting in furtherance of the public good, the rule of law, transparent processes, and a strong civil society participating in public affairs; while poor governance is characterized by arbitrary policy making, unaccountable bureaucracies, unenforced or unjust legal systems, the abuse of executive power, a civil society unengaged in public life, and widespread corruption.⁵¹

Another important source for defining the concept of good governance is the UNDP, which argues that the primary purpose of government should be the promotion of sustainable human development in ways to reduce disparities in the exercise of economic, political and administrative authority to manage a country's affairs at all levels. It comprises mechanisms, processes and institutions, through which citizens and groups articulate their interests, exercise their legal rights, meet their obligations and mediate their differences.⁵² Hence good governance is a transparent, accountable, effective, participatory, and equitable system which promotes the rule of law. It also ensures that political, social and economic priorities are based on citizen consensus and that the voices of the poorest and vulnerable are heard in decision-making regarding the allocation of development resources.

From the human rights perspective, the concept of good governance can be explained based on the rights and principles highlighted in the international human rights instruments. According to the United Nations Office of the High Commissioner for Human Rights (UNOHCHR), good governance is the process whereby public institutions conduct public affairs, manage public resources and guarantee the realization of human rights.⁵³ The UN Commission on Human Rights in its Resolution 2000 emphasizes that the strengthening of good governance is possible through the building of effective and

⁵⁰ USAID (2009)

⁵¹ The World Bank (2009)

⁵² Kaufmann, Kraay and Pablo (1999)

⁵³ UNOHCHR (2009)

accountable institutions for promoting growth and sustainable human development, and it considers that having good governance is a continuous process for all governments regardless of the level of development of the countries concerned.⁵⁴ The resolution expressly links good governance to an enabling environment conducive to the enjoyment of human rights. In addition, it recognizes that a transparent, responsible, accountable and participatory government, responsive to the needs and aspirations of the people is the foundation of good governance.

Accordingly, the various definitions of good governance provided by key international organizations can be summarized in table (2.2)

Table (2.2) Various Definitions of Good Governance by International Organizations

International Organizations	Definition - Elements of Good Governance
ADB	From crisis to opportunity states the instrumental nature of governance with its four pillars namely, accountability, transparency, predictability and participation. These are universally applicable regardless of economic orientation, strategic priorities, or policy choices of the government in question.
USAID	Interactions among structures, traditions, functions (responsibilities), and processes (practices) characterized by accountability, transparency and participation.
World Bank	Predictable, open and enlightened policy-making based on public good, rule of law, transparent processes, and a strong civil society participating in public affairs.
UNDP	The striving for rule of law, transparency, responsiveness, participation, equity, effectiveness and efficiency, accountability, and strategic vision in the exercise of political, economic and administrative authority.
UNOHCHR	The building of effective and accountable institutions for promoting growth and sustainable human development conducive to the enjoyment of human rights, in addition to an independent

⁵⁴ Todd Landman (2003)

judiciary/legal profession and an active civil society.

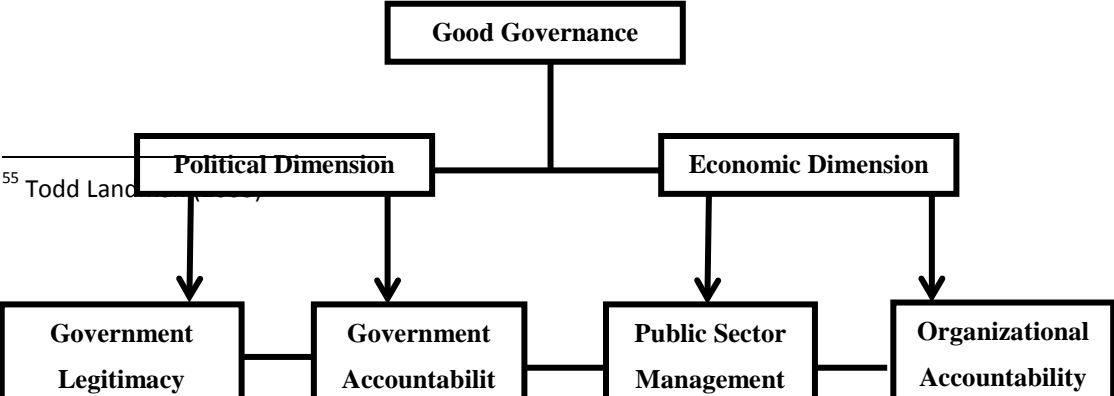
Source: own compilation from different organizations

2.3.2 Characteristics of Good Governance

The concept of good governance cannot only be explored through its various definitions, but through its attributes, principles and characteristics which outline the indicators of good governance according to international discourse.

Good governance consists of two major dimensions: political and economic. The political dimension can be divided into four key components: (i) government legitimacy; (ii) government accountability; (iii) government competence; and (iv) the rule of law (human rights). The economic dimension also has four components: (i) public sector management; (ii) organizational accountability; (iii) rule of law (contracts, property rights); and transparency (includes freedom of information).⁵⁵ For the purpose of this thesis, and while recognizing the significant and imperative role of the economic dimension, it shall be concentrated on the political dimension of good governance since the main focus is to study and analyze the paradox between the political indicators of a good governance system and the dynamics of an authoritarian system.

Figure 2.1 Dimensions of Good Governance



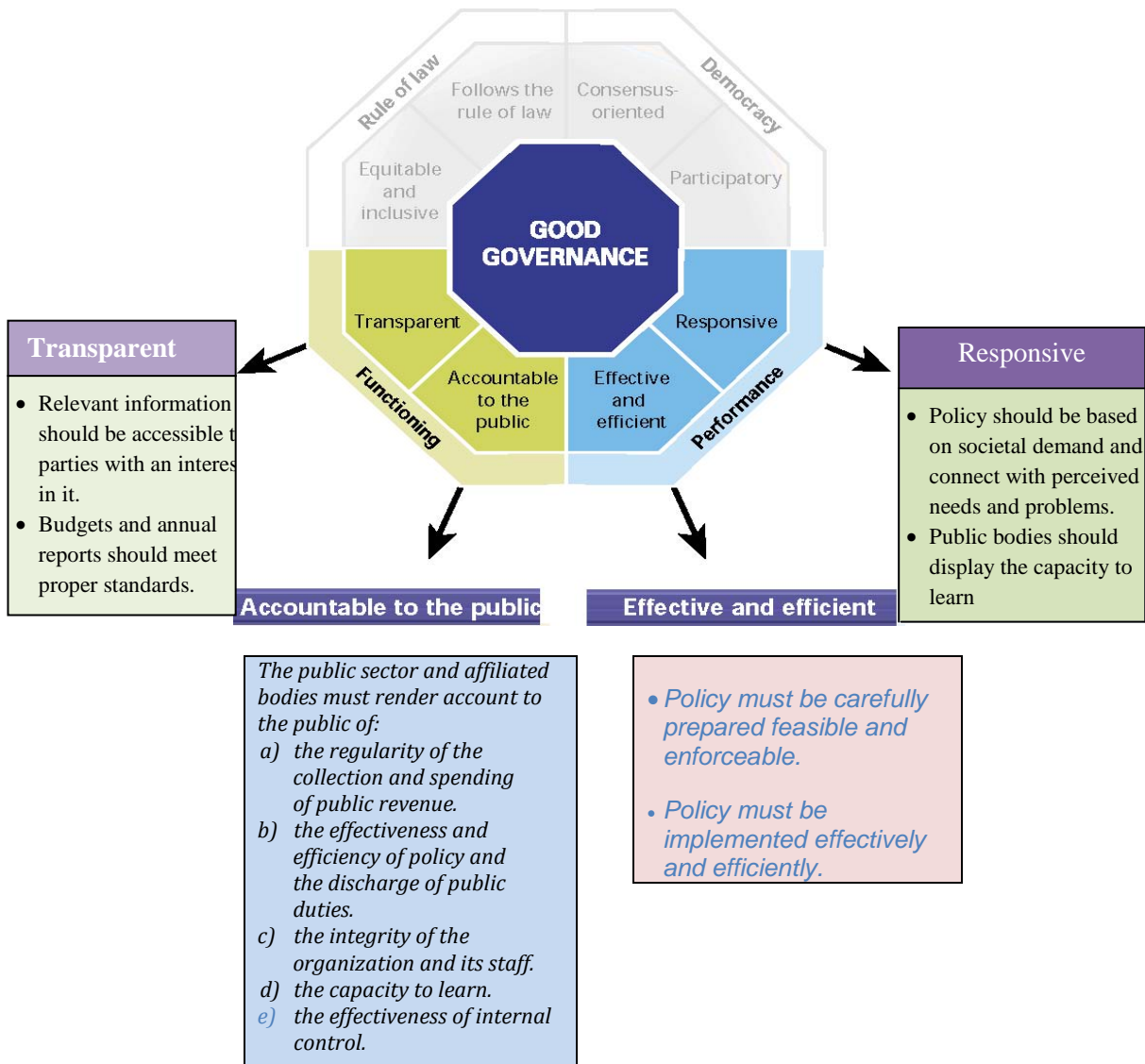


Source: Todd Landman (2003)

Among eight major characteristics of good governance, it assures that corruption is minimized, the views of minorities are taken into account and that the voices of the most vulnerable in society are heard in decision making. It is also responsive in decision-making. It is also responsive to the present and future needs of society.⁵⁶

Figure (2.2) The Essentials of Good Governance

⁵⁶UNESCAP (2011)



Source: UNDP (2011)

- (a) **Participation** It is an essential element for an engaged civil society. The public sector can promote participation by enacting legislation that strengthens the freedom and plurality of media, establishing an independent electoral management body, and encouraging public input into decision making on government plans and budgeting. Participation requires enhanced capacity and skills of stakeholders and sustainable policies supported by institutions of public administration.⁵⁷It can involve consultation in the development of policies and decision-making, elections

⁵⁷UN publication (2007)

and other democratic processes. Participation gives government's access to important information about the needs and priorities of individuals, communities and private businesses. Participation by both men and women is a key cornerstone of good governance. Participation could be either direct or through legitimate institutions or representatives. It is important to point out that representative democracy does not necessarily mean that the concerns of the most vulnerable in society would be taken into consideration in decision-making. Participation needs to be informed and organized. This means freedom of association and expression on the one hand and an organized civil society on the other hand.

- (b) **Rule of Law** Good governance requires fair legal frameworks that are enforced impartially. It also requires full protection of human rights, particularly those of minorities. Impartial enforcement of law requires an independent judiciary and an impartial and incorruptible police force. Rule of law measures the extent to which agents have confidence in and abide by the rules of society, in particular the quality of contract enforcement, the police, and the courts, as well as the likelihood of crime and violence. The objective of promoting and enhancing the rule of law is to ensure that the state is completely subordinate to law and not to individual interests. This objective leads to the prevention of arbitrariness in decision-making process as well as implementation mechanisms. Therefore when a government is ruled by law, equality before the law is ensured and the government acts through pre-written laws and execution of its decisions and the changes and the reforms of laws are practiced through established legislative procedures.⁵⁸
- (c) **Transparency** It is an important aspect of good governance, and transparent decision making is critical for any sector to make sound decisions and investments. It is the availability and clarity of information provided to the general public about government activities. Transparency means that decisions 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. It also means that enough

⁵⁸UNESCAP (2011)

information is provided in easily understandable forms and media. Transparency is critical for keeping accountability and the rule of law so that higher levels of administration, external reviewers and the general public can verify performance and compliance to law through receiving openness and good information. The absence of transparency in the budget and the exploitation of resources allow the corruption, inefficiency and inequity, and compromise the provision of public services and development efforts. Accordingly, the purpose of transparency is essentially the facilitation of accountability.

- (d) **Responsiveness** Good governance requires that institutions and processes try to serve to all stakeholders within a responsible timeframe. It is that the policy should be based on societal demand and connects with perceived needs and problems. It is important for organizations that perform public tasks to be accepted by society. This acceptance can be obtained by listening carefully to the problems and needs perceived by members of the public and customers, and by entering into dialogue with relevant social actors. Responsive organizations use this process as the basis for policymaking in their areas of authority, and they are transparent with regard to the factors at play in their decisions. Participatory policy evaluations can enhance the responsiveness of public bodies.
- (e) **Consensus oriented** There are several actors and many viewpoints in a given society. 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 goal of such development. This can only result from an understanding of the historical, cultural and social contexts of a given society or country.
- (f) **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 main stream of society. This requires all groups, but particularly the most vulnerable, have opportunities to improve or maintain their well-being.
- (g) **Effectiveness and Efficiency** Good governance means that processes and institutions produce results 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 national environment. Efficiency should be understood as a government's ability to establish predictability in the institutional and policy environment. This is brought about by an economically efficient system of production and distribution as well as fair and consistent legal system. Efficiency is also a question of correctly prioritizing government services to correspond with citizen needs. This includes the provision of services such as security, healthcare and education.

- (h) **Accountability** It is a key requirement of good governance. Not only governmental institutions but also the private sector and civil society organizations must be accountable to the public and to their institutional stakeholders. Who is accountable to who varies depending on whether decisions or actions taken are internal or external to an organization or institution. In general, accountability refers to the obligation to those in power to account to those on whose behalf they exercise such authority, for the discharge of the responsibility entrusted to them. Accountability can be an end itself representing democratic values, and a means towards the developments of more efficient and effective systems.⁵⁹ An organization or an institution is accountable to those who will be affected by its decisions or actions. Accountability cannot be enforced without transparency and rule of law. Accountability rests on the establishment of criteria for evaluating the performance of public sector institutions. This includes economic and financial accountability brought about by efficiency in resource use, expenditure control and internal and external audits. Accountability improves a government's legitimacy. Transparency and participation are essential ingredients in establishing accountability.

Therefore, good governance is an ideal which is difficult to achieve in its totality. Very few societies and countries have come close to achieving good governance in its totality. However, to ensure sustainable human development, actions must be taken to work towards this ideal with the aim of making it a reality.⁶⁰

⁵⁹ UNDP (1992)

⁶⁰ UNESCAP (2011)

The 1997 UNDP Mayor's survey identified and ranked eight most important quality of life issues. These issues are: employment/job creation, solid waste collection and disposal, urban poverty, shelter and housing, water and sanitation, public transport and traffic, health services, and civil society participation. These key urban issues cannot be addressed without good governance.

Governance is the deliberate and conscious management of regime structures for enhancing the public realm. Such conscious management should be done through different set of tools including code of ethical behavior, outcome-based performance assessment, result based management, outcome measurement, balance scorecard, social auditing, sharing best practices, information retrieval, competencies profiling, knowledge discovery, sharing and development, learning after action reviews, learning logs, decision diaries, intellectual capital measurement systems, integration-knowledge management suites and so forth.⁶¹

Since governance is the process of decision-making and the process by which decisions are implemented, an analysis of governance focuses on the formal and informal actors involved in decision-making and implementing the decision made and the formal and informal structures that have been set in place to arrive at and implement the decision. Government is one of the actors in governance and other actors involved in governance vary depending on the level of government that is under discussion. In rural areas, for example, other actors may include influential landlords, association of peasant farmers, cooperatives, NGOs, research institutes, religious leaders, financial institutions, political parties, the military, etc. The situation in urban areas is much more complex. At the national level, in addition to the above actors, media, lobbyists, international donors, multinational corporations, etc. may play a role in decision-making or in influencing the decision-making process.

2.3.3 Principles of Good Governance

⁶¹ Sahni, Paeddeep and Medury Uma (2003)

The standard comprises six core principles of good governance, each with its supporting principles.⁶²

1. Good governance means focusing on the organization's purpose and on outcome for citizens and service users. Being clear about the organization's purpose and its intended outcomes for citizens and service users, making sure that users receive a high quality service, and taxpayers receive value for money are the supporting facts of first principle.
2. Good governance means performing effectively in clearly defined functions and roles. The supporting facts of second principle are: being clear about the functions of the governing body, the responsibilities of non-executives and the executives, and making sure that those responsibilities are carried out, and the relationships between governors and the public.
3. Good governance means promoting values for the whole organization and demonstrating the values of good governance through behavior. It includes organizational values into practice and individual governors behaving in ways that uphold and exemplify effective governance.
4. Good governance means taking informed, transparent decision and managing risk. The supporting facts of this principle are: being rigorous and transparent about how decisions are taken, having and using good quality information, advice and support and making sure that an effective risk management system is in operation.
5. Good governance means developing the capacity and capability of the governing body to be effective. The supporting facts of this principle are: making sure that the appointed and elected governors have the skills, knowledge and experiences they need to perform well, developing the capability of people with governance responsibilities and evaluating their performance, as individuals and as a group, and striking a balance in the membership of the governing body, between continuity and renewal.
6. Good governance means engaging stakeholders and making accountability real. Understanding formal and informal accountability relationships, taking an active and planned approach to dialogue with the accountability to the public and an active and

⁶² services.salford.gov.uk/solar_document/CBTR100407A4D.DOC

planned approach to responsibility to staff, and engaging effectively with institutional stakeholders are the supporting facts of this principle.

2.4 The Evaluation of Good Governance

The evaluation of good governance⁶³ is important for a number of reasons. First, donors and reformers take it into consideration when assessing the impact of policies and determining future development projects. Second, good governance evaluations determine the investment climate. It is well established that aids flows have greater impacts on development in countries with good governance. Having established why, the next step is to identify the parties interested in evaluating good governance.

In order to integrate other key factors outside the public sector into the governance debate, interested parties are classified into four groups: donors, monitors, private interests and scholars.

The Donors groups consists of the World Bank (WB), the International Monetary Fund (IMF), the European Bank and the Asian Development Bank (ADB), and donor nations who have an institutional or economic interest in assessing the level of governance in countries where they donate money for economic development projects. Donor countries can require periodic reporting and auditing to ensure that allocated funds are spent as they ought to be. Such reporting should also be made transparent to the public so that the public can hold the government accountable for its actions. Corruption is the single biggest obstacle to the delivery of aid to the poor.

The Monitors group consists of the United Nations (UN) and non-governmental organizations (NGOs) that monitor as well as implement humanitarian and economic development projects. The Private interest group is composed of transnational corporations with an interest in Foreign Direct Investment. This group is concerned with the risk of their investments. Finally, the Scholars group is composed of scholars in both think tanks and academia who have an interest in the impact of governance on topics in political science and economics. Each group brings a broad perspective to the debate and

⁶³ <http://unpan1.un.org/intradoc/groups/public/documents/un/unpan027075.pdf>

as a result considering all four provides a more comprehensive view of governance evaluation.

2.4.1 Methodology to Evaluate Governance⁶⁴

Governance can be examined at three levels: global, national and local. On the global level, governance can be compared across countries and over time, standardized data that can be applied to diverse cultures, economic and political systems. Governance data can be enabling robust benchmarking between countries, using common units of analysis. On the national level, governance can be analyzed more comprehensive, more flexible and specific features. On the local level, governance assessment is targeted in a geographical region.

The Organization for Economic Cooperation and Development (OECD) considers some alternatives other than GDP to use in a new study. Governance has a role to play in this respect. The recent works of OECD adjusts GDP for the distribution of income and places a value of leisure. Thus a country enjoying a very uneven distribution of income would have a lower level of well-being than with the same GDP but less poverty.

Within these adjustments, however, GDP is far from being a comprehensive yardstick in assessing a country's quality of governance. A country's well-being cannot be reduced only to GDP and productivity because its enterprises and its people must cope with political, social and cultural dimensions. Therefore, governments need to provide an environment that has effective and efficient institutions and policies. Most global governance evaluations have focused on standardized principles of administration that are believed to be fundamental to the development of effective public administration. Once these principles have been identified, the second step involves the compiling of necessary measures from quantifiable inputs, processes, and outputs that manifest these desired dimensions: Efficiency, Transparency, Accountability and Participation.

2.4.2 Clean Government and Good Governance

⁶⁴ UN publication (2007)

The first pillar of the Comprehensive Development Framework (CDF) calls for clean government and good governance. The CDF assumes that clean government promotes good governance. But good governance requires at minimum four elements: effective public financial accountability relationship between a country's governing body and its executive management, transparent decision making, stakeholders' participation, and ethical practices. These elements are mutually reinforcing. For example, where there are effective relationships of financial accountability, performance is likely to be managed and reported fairly and honestly. This in turn minimizes systemic corruption; mitigates fraud, waste and abuse in the use of public funds; and highlights breakdowns in the rule of law so that they can be dealt with appropriately and in timely ways.⁶⁵

2.5 Good governance and Economic Development

Good governance is an essential factor to the success of any endeavor, whether in the public sector or non-governmental sector. The presence of good governance practices clarifies authority, simplifies decision-making, and ensures people and organizations are accountable for their actions and decisions.

In the development context, studies indicate a direct relationship between good governance, stable governments and better social and economic outcomes such as higher per capita income, lower infant mortality, and higher literacy rates. National and multilateral agencies have recognized the importance of governance in their country program strategies. Moreover, there is a growing body of evidence linking governance and overall organizational performance.⁶⁶

In addition to the broader positive consequences listed above, achieving good governance can have a tremendous impact on an organization. Good governance:

- Promotes trust in the organization and its people,
- Improves moral among staff and stakeholders,
- Enhances services to the public and stakeholders,

⁶⁵ World Bank (2000)

⁶⁶OECD_PUMA (2010)

- Improves decision-making and the quality of these decisions,
- Connect the organization - and its board - to its membership and stakeholders,
- Enhances the perception of the organization among people and stakeholders,
- Improves the ability to weather crises, improves financial stability.

One major issue regarding the application of governance concepts to economic development is the role of government in economic development. The neoclassical arguments of development emphasize the role of foreign trade and investment and the importance of free market in stimulating competition during the development process. These arguments explain that the problems of least developed countries result from extensive government intervention in promoting import-substitution policies that limit the scope of industrialization. Moreover, one of the major factors contributing to the success of Newly Industrialized Countries (NICs) of East Asia is the adoption of export-oriented policies that encourage the process of technological innovation and entrepreneurial maturation. The role of state in the process of development emphasizes a passive and limited role of government in such activities as maintaining stability and providing physical infrastructure.

The successful experiences of NICs are related not only to the operation of the free market but also to the active role of government in directing public and private resources to change the structure of these economies. Many successful NICs emphasize a general incentive policy to encourage the accumulation of production factors (tax measures, research and development, etc.) and industrial targeting policy to promote the growth of particular industries.

Considering the market and state arguments, promote a market enhancing view, which emphasizes the role of government policy to facilitate or complement private sector coordination. The previous approaches viewed the market and government as the only alternative and as mutually exclusive substitutes. The market enhancing approach stresses the mechanisms whereby government policy is directed at improving the ability of the private sector to solve coordination problems and overcome other market imperfections. One of the mechanisms is the important role of government in facilitating information change to avoid possible market coordination failures.

Governance has become a key concept in the international development debate over the past ten years. It marks an intriguing transformation in focus from micro to macro issues and also poses fresh challenges to those interested in relating socio-economic outcomes to macro interventions. In order to fully understand the importance that governance has acquired in recent years, it is helpful to trace the most significant shifts that have taken place in thinking about development in the past five decades.⁶⁷

The concept of development was adapted for use at the international level in the late 1940s and early 1950s. There were two approaches that the intellectuals had concentrated and one approach was to produce comprehensive national development plans as guides for what should be done in more concrete terms. The anticipated macroeconomic conditions under which specific program and project activities should and could be developed were stated. The second approach, however, was the most critical where projects were taken on special significance which constituted the means by which macro goals could be realized. Good project design was the key to success. This first phase of development thinking lasted into the latter part of the 1960s, and the project level was regarded as most important. Project design was done on behalf of potential beneficiaries without their input. Government and other public institutions were identified as responsible for ensuring effective implementation while private and voluntary sector organizations were ignored. Development, then, was a top-down exercise by public agencies for the people.

The second phase began in the latter part of the 1960s, when analysts and practitioners had begun to recognize that a singular focus on projects in the context of national plans was inadequate. Thus, the international community decided that a sectoral approach would be more effective. In operational terms, this means substituting project for program as the principal concern. Therefore, the need became how to design integrated programs that addressed not a single dimension of human needs but the whole range of them. Governments also engaged in administrative reforms that stressed the value of decentralizing authority to lower levels of government organization in order to enhance coordination and management of these new sectoral programs. During this

⁶⁷Hyden, Goran and Julius Court, (2002)

phase, there was a growing emphasis on education and training of the masses. As human capital became important, capacity-building became crucial and it focused on such areas as adult education and universal primary education, the assumption being that these measures were integral parts of a poverty-oriented approach to development. That is why during this phase the main idea can be said to have been development of the people.

At the end of the 1970s, another shift was that it was becoming increasingly clear that governments could typically not administer the heavy development burden that had been placed on their shoulders. The role of the state in comparison with the market was expressed as an allocative mechanism of public resources. At that time, the challenge was no longer how to manage or administer development as much as it was identifying the incentives that may facilitate it. The strategic focus was shifted to the level of policy.

This period also witnessed the increase in voluntary organizations around the world and preliminary efforts to bring such organizations into the development process. With more responsibilities delegated to the market, private and voluntary organizations could play a more significant role in working with people to realize their aspirations, whether individual or communal. Even though the economic reforms tended to create social inequities, the basic premise was that non-governmental organizations could do with the people what the government had failed to do for the people. Again, the perception of development had changed, this time to being an exercise done with the people.⁶⁸

In the 1990s, it was the growing recognition that development is not only about projects, programs and policies, but also is about politics. For a long time, development analysts, especially economists, wished to treat 'development' as a political phenomenon. Out of respect for national sovereignty, donors and governments upheld this dichotomy for a long time. It is only in the last ten years that it has been challenged. Although it is controversial in government circles in the Third World, there is a growing recognition that 'getting politics right' is, if not a precondition, at least a requisite of development. The implication is that conventional notions of state sovereignty are being challenged and undermined by the actions taken by the international community, notably the

⁶⁸ Hyden, Goran and Julius Court, (2002)

international finance institutions and the bilateral donors.⁶⁹ Development, therefore, is no longer a benevolent top-down exercise, not even a charitable act by non-governmental organizations, but a bottom-up process. As such, development is now seen primarily in terms of something done by the people.

Table 2.3 Shifts in Development Thinking and Emphasis (1950s to Date)

Period	Focus	Emphasis
1950s-1960s	Project	For the people
1960s-1970s	Program	Of the people
1980s	Policy	With the people
1990s-Date	Politics	By the people

Source: Hyden, Goran and Julius Court, *Governance and Development*, 2002

The table above presents the evolution of development thinking from the 1950s to date where governance has become a key concept in the international development debate. It had gone through to transform in focus from micro to macro issues where fresh challenges were posed on those interested in relating socio-economic outcomes to macro interventions. In this, to fully understand the importance that governance has acquired in recent years, the table shows the significant shifts that have taken place in thinking about development in the past decades.

For development, the focus had shifted from the project level to politics. It can be seen that transforming from micro to macro issues, the emphasis had also shifted as for the people to of the people, then, with the people and finally by the people. However, that the basic distinctions made above do reflect principal shifts in how development was conceived and the various measures that go with it.

⁶⁹ Ibid.

CHAPTER III
REVIEW ON GOOD GOVERNANCE PRACTICES
OF SINGAPORE AND INDONESIA: A COMPARISON

Good governance is perhaps the single most important factor in eradicating poverty and promoting development so United Nations University (UNU) has conducted a pilot survey on World Governance Survey (WGS) in early 2001 among 16 developing and transitional societies, representing 51 percent of world's population.⁷⁰ The project identified 30 indicators based on widely held principles of good governance: participation, fairness, decency, accountability, transparency and efficiency.

Respondents were asked to rank each answer on a scale from 1 to 5; the higher the score, the better of good governance. In addition, respondents were invited to provide qualitative comments. Overall, there was significant variation in the total governance score. In qualitative comments, local experts commented that many legislators run for office because of financial advantages, and that legislators tend to be more accountable to their parties than to the public.

With the growing consensus among policymakers, civil society groups, aid donors, and scholars around the world, increasingly that good governance matters for development, Worldwide Governance Indicators which funded by the World Bank, reports aggregate and individual governance indicators for 213 economies over period

⁷⁰Court and Hyden (2001)

1996-2010, for six dimensions of governance: voice and accountability, political stability and absence of violence, government effectiveness, regulatory quality, rule of law, and control of corruption.⁷¹ Data are obtained from dozens of different data sources from over 30 organizations around the world.

The aggregate indicators combine the views of a large number of enterprises, citizens and expert survey respondents in industrial and developing countries. The individual data sources underlying the aggregate indicators are drawn from a diverse variety of surveys institutes, think tanks, NGOs, and International Organizations. Overall, the world continues to underperform on governance. Over the past decade, dozens of countries have improved significantly on such dimensions of governance such as rule of law and voice and accountability. However, a similar number of countries have experienced marked deteriorations, while others have seen short-lived improvements that are later reversed, and scores of countries have no seen significant trends on way or the other.⁷²

Some countries are found to have very high standards of governance that can be attained, yet a few others are exceptions. Serious governance challenges can be found in every region of the world and at all income levels. For Myanmar, the given scores on each aggregate governance practices were very poor.

The presence of good governance practices clarifies authority, simplifies decision-making, and ensures people and organizations are accountable for their actions and decisions. Good governance and strong leadership are crucial for any government if it is to lead its country in the right path and that the government to be *honest, effective and efficient*. *Good governance practices of some selected Asian countries, Singapore and Indonesia, can be witnessed with a view on their experiences and efforts to establish an efficient and effective government.*

The definition of governance is the activity of governing. This governing activity may consist of a specific part of management or leadership processes of government systems, and accordingly it may be interpreted to mean whatever government does is

⁷¹The World Bank Group (2011)

⁷² Kaufmann (2010)

governance. However, it is sometimes used more abstractly as a synonym for government, in spite of the fact that governance encompasses a wider scope than merely pertaining to governmental activities.⁷³

To address the overall picture of each country's governance system, it is important to set up a scheme that covers most, if not all, of the aspects of the governing paradigm. However, countries share little commonalities in terms of history, culture, religion, resources, and above all governing paradigm. This thus renders more difficult to express a certain country's governance system according to a consistent logical baseline or in one-dimensional individual perspective. The countries in this study have non similarities in their governing systems and also in their governing practices.

Any governance assessment frameworks including Worldwide Governance Indicators (WGI) are typically applied to different countries without regards to the adaptability of WGI into the specific country's context and circumstances. However, as World Bank study cautions, these aggregate indicators are useful for broad cross-country and over-time comparisons of governance, but all such comparisons should take appropriate account of the margins of error associated with the governance estimates. These indicators take into account the voice and accountability, political stability and lack of violence/terrorism, government effectiveness, regulatory quality, rule of law and finally, control of corruption. Both governance conditions of Singapore and Indonesia are reviewed relating to these indicators.

3.1 Good Governance Practices in Singapore

Singapore is a parliamentary republic with a Westminster system of unicameral parliamentary government representing constituencies. Its constitution establishes representative democracy as its political system. Freedom House ranks Singapore as partly free in its Freedom in the World Report, and The Economist ranks Singapore as a hybrid regime, the third rank out of four, in its Democracy Index. Singapore is

⁷³ Yunwon Hwang (2011)

consistently rated one of the least corrupt countries in the world by Transparency International.

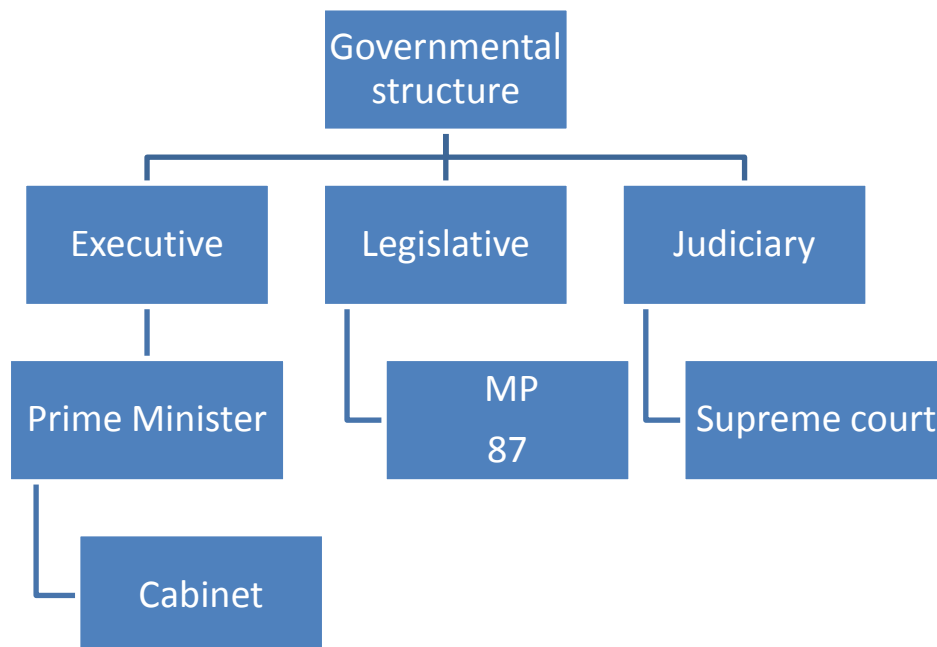
In Singapore, executive power rests with the Cabinet, led by the Prime Minister, and the President. The president is elected through popular vote, and has some veto powers for a few key decisions such as the use of the national reserves and the appointment of judges, but otherwise occupies a ceremonial post.

The Parliament serves as the legislative branch of government. Members of Parliament (MPs) consist of 87 elected, non-constituency and nominated members. Elected MPs are voted into parliament on a first-past-the-post (plurality) basis and represent either single-member or group-representation constituencies. The People's Action Party has won control of Parliament with large majorities in every election since self-governance was secured in 1959. However, in the most recent parliamentary elections in 2011, the opposition, led by the Workers' Party, made significant gains and increased its representation in the House to 6 elected MPs. The legal system of Singapore is based on English common law, albeit with substantial local differences. Trial by jury was entirely abolished in 1970 leaving judicial assessment performed wholly by judgeship. Singapore has penalties that include judicial corporal punishment in the form of caning for rape, rioting, vandalism, and some immigration offences.

There is a mandatory death penalty for murder, and for certain drug-trafficking and firearms offences. In a 2008 survey, international business executives believed Singapore, along with Hong Kong, had the best judicial system in Asia. In 2011, in the World Justice Project's Rule of Law Index Singapore was ranked in the top countries surveyed in "Order and Security, Absence of Corruption, and Effective Criminal Justice. However, it scored very low for both Freedom of Speech and Freedom of Assembly. All public gatherings of five or more people require police permits, and protests may only be legally held at Speakers' Corner.⁷⁴

⁷⁴<http://en.wikipedia.org/wiki/Singapore>

Figure 3.1 Governmental Structure of Singapore



Source: <http://en.wikipedia.org/wiki/Singapore>

The most fundamental reason for good governance in Singapore is the set of values that they have imbibed in their national character, and these are what they call MPH: **Meritocracy, Pragmatism and Honesty**. The first is meritocracy which means that the best suitable and competent person gets the job one deserves irrespective of any other consideration. The second set of value is pragmatism, which means: do whatever works. In other words, they have let go of baggage of history, tradition, dogmas, beliefs etc., and adopted the workability of ideas and things leading to a can-do sense of purpose,

and a diligent, honest work culture. The third one, honesty is most difficult one as it is a personal value but it would not be overstatement to say that Singapore is totally corruption free and honesty is a way of life for Singaporeans.⁷⁵

Good governance and strong leadership are the critical elements which underpins how the Singapore government steers its future forward. Over the years the Singapore government has distilled a set of principles on governance and leadership to guide its decision and policy-making.

The five principles that the island republic applied successfully to run the city-state are stated by its leaders are Good, Clean Governance, Integrity and Meritocracy, Anticipate Change and Stay Relevant, Do What is Right, Not What is Popular and the final one is Leadership is Key.⁷⁶

Singapore intended to have a clean government that made decisions in the public interest and not to enrich its leaders earned the trust of the people. It provided certainty to investors, who knew that the rules of the game were laid down in law and more importantly, adhered to that they, could not be changed arbitrarily based on personal favors or relationships. While rules and regulations were important, the integrity and ethical standards of both government and corporate leaders were just as, if not more important.

There are some unique features which ensure that civil services stay competitive, effective, honest and ready to adapt to change. First is system of scholarship that Singapore proactively identifies, selects, grooms and supports the meritorious talent in the country. Expectedly the best talent in the country goes to join the public service in Singapore.

The second aspect is System of Currently Estimated Potential (CEP): the highest level of responsibility/post that an officer is capable of handling eventually and it determines his long term career progression. It is a measure of basic capabilities and how quickly one may rise up. Thus there is strong incentive on performance and merit.

⁷⁵Wahab, Akaria Abdul (2009)

⁷⁶Ibid.

The third is the system of variable salary that depends on performance of GDP/economy as well as individual performance. Thus, this link between ability and pay reinforces the meritocracy and motivates and rewards the performers.

The fourth aspect is that salaries of civil services are benchmarked to equivalent top professions in private sector. Thus not only the best are recruited but the best talent is retained and kept motivated and suitably paid. High salaries also reduce room for corruption and favors, if not eliminate altogether.

The fifth is readiness to adapt to change in a fast changing globalized world. The leadership and civil service has internalized that they have to be constantly innovate to be competitive and stay relevant for the rest of the world, given its limited natural resources and tiny size.

The civil service of Singapore has supported much to become a well-developed country. The leaders also stated that democracy is not a western value, but a universal one which is critical to good governance and strong leadership of every nation. An aware, alert and active citizenry, supported by a free press, a robust civil society and an independent judiciary is the cornerstone of good governance and clean government. The government deliberates and decides on policies which will affect countless of people who are therefore in the best position to assess its performance.⁷⁷

However, the over-concentration of power in the hands of a few in Singapore is dangerous. So long as its leaders are decent, honest and well-meaning individuals, Singapore will be able to practice good governance backed by strong leadership because it will be a breeze running a country when everybody sings to its tune including the subdued opposition in parliament.

Yet nobody can guarantee for sure that Singapore will continue to enjoy years of good governance in the next few decades. Singapore's archaic one-party system is grossly incompatible with its exalted status as a first-world economy. It is a long way off from building a system with clear separation of powers between the executive and the legislative as well as independent institutions outside the government which can check on

⁷⁷Bernama (2009)

possible abuses of power. Absolute power may lead to good governance and strong leadership temporarily, but it will also corrupt absolutely in the absence of democratic principles and practices.

3.2 Good Governance Practices in Indonesia

The governmental structure of Indonesia is made up of three components such as constitution, legislative and executive. Indonesia is a unitary republic based on the 1945 constitution providing for a limited separation of executive, legislative and judicial power. The 1945 constitution was abrogated by Federal Constitution of 1949 and Provisional Constitution of 1950, but ultimately restored in 1959. A series of amendments were concluded in 2002. It is a written one and is based on five principles.

Indonesia is a republic with a presidential system. As a unitary state, power is concentrated in the central government. Following the resignation of President Suharto in 1998, Indonesian political and governmental structures have undergone major reforms. Four amendments to the 1945 Constitution of Indonesia have revamped the executive, judicial, and legislative branches.

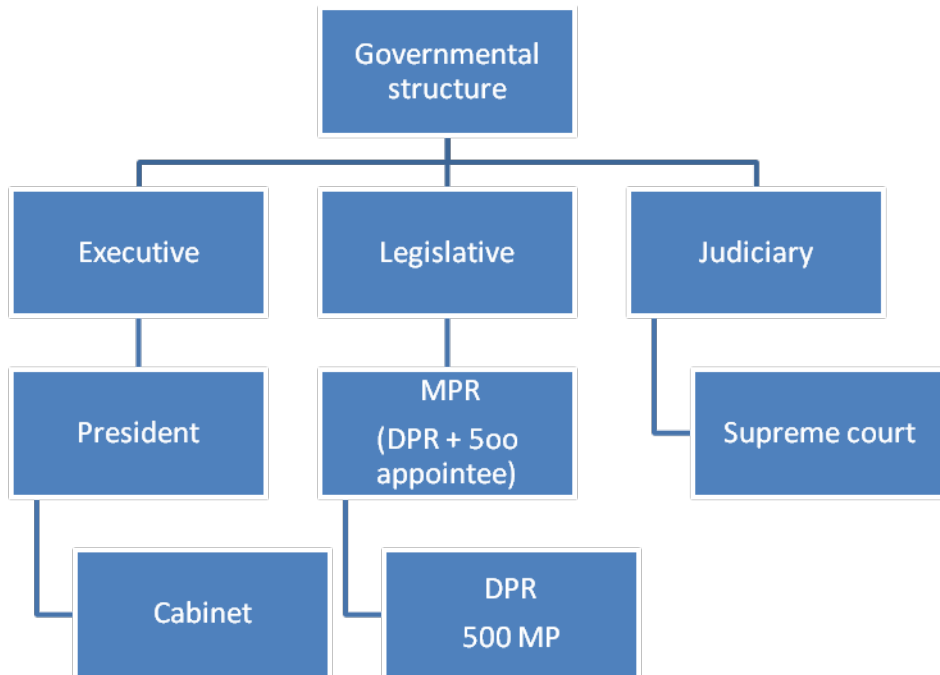
Indonesia Parliament consists of two bodies: People's Consultative Assembly (MPR) and House of Representatives (DPR). The MPR is the highest legislative institution as well as the highest authority of state in Indonesia and is responsible for determining the Constitution and broad lines of governmental policy. MPR is composed of 1000 members. Among them, 500 members are from DPR and others are appointed by President from provisional governors, military and political parties.

The premier legislative institution is the House of Representatives, (DPR) which are made up of over 500 members, 400 are elected from three political parties and 100 are appointed by the President with the recommendation of Armed Forces (ABRI). Tenure of DPR members is five years. Every law needs approval from DPR and representatives meet at least once a year. There is also House of Regional Representatives, whose constitutionally mandated role includes providing legislative input to the DPR.

The executive power is vested in the president, who is assisted by a vice president. According to the constitution, the president and the vice president are to be elected by majority vote of the People’s Consultative Assembly (MPR) for five-year term. President is eligible for re-election when his term expires. President is head of state, chief executive and Supreme Commander-in-chief. Legislative power vested in president and acted with the DPR. Indonesia has a strong presidential system in executive branch. President is the supreme authority and has power to appoint and dismiss state ministers in accordance with the Article 5 of Constitution.

The judicial system in Indonesia consists of a Supreme Court and several high courts in various principal cities. There are four judicial spheres, including spheres for general, religious, military and administrative matters, Supreme Court judges are appointed by President.⁷⁸

Figure 3.2 Governmental Structure of Indonesia



Source: <http://en.wikipedia.org/wiki/Indonesia>

⁷⁸R. Fairholm, Matthew, (2004).

Most civil disputes appear before a State Court; appeals are heard before the High Court. The Supreme Court is the country's highest court, and hears final cessation appeals and conducts case reviews. Other courts include the Commercial Court, which handles bankruptcy and insolvency; a State Administrative Court to hear administrative law cases against the government; a Constitutional Court to hear disputes concerning legality of law, general elections, dissolution of political parties, and the scope of authority of state institutions; and a Religious Court to deal with codified Sharia Law cases.⁷⁹

In order to make a study on good governance practices in Indonesia the factors that are accounted in the WGIs are applied in this case. These indicators include the voice and accountability, political stability and lack of violence/terrorism, government effectiveness, and regulatory quality, rule of law and finally, control of corruption.

In this respect, the voice and accountability indicator for Indonesia WGI indices marks relatively low at about 45% range in the worldwide ranking scheme. Therefore it is fair to say that Indonesia should put more policy emphasis on improving voice and accountability measures. In fact, there has been a tremendous effort by Indonesia to make government more democratic and responsive. Indonesia has been undergoing an important transition towards democracy over the past decade. Democratic elections in 1999 and 2004, constitutional amendments, new institutions like the Regional Representative Council and the reform of basic political laws have introduced democratic practices and good governance principles. New political parties have been allowed to form and contest general elections, and the president was directly elected for the first time in 2004. In addition, the country is undergoing the decentralization of its government and services, delegating power from the centre to 33 provinces and over 500 districts and municipalities. Various efforts have been made recently and now they are vigorously under progress in Indonesia.

A more concrete and specific national and local government effort may be the Indonesian Democracy Index (IDI) project which is the collaborated endeavor between the National Development Planning Agency and United Nations Development Programme (UNDP) to improve more democratic governance. The Central Statistics

⁷⁹<http://en.wikipedia.org/wiki/Indonesia>

Bureau (BPS) and Regional Development Planning Agencies are also collaborating on the project of governance improvement in Indonesia.

Main components of IDI include civil liberty, political rights, and democratic institutions, all of which are the basic ingredients of the democratic governance. The content of civil liberty embraces those issues of the freedom of assembly, speech, worship, and the freedom from fear and discrimination. Political rights concept covers those of the right to vote and to be elected, people's participation in decision making processes, people's participation in, and government's oversight. The concept of democratic institutions includes free and fair elections and roles of the parliament, political parties, and local governments, and independency judiciary.

Recent two democratic elections evidenced in 1999 and 2004 have already changed the whole of Indonesian political climate and psychology, in which the grass-root citizens play the vigilant watchdogs on the political elites' undemocratic wrongdoings. As a result of these efforts, Indonesia is expected to accomplish its political status in the near future unlike as it has been so far.

Indonesia has suffered for a long time from political instability and violence, thus showing the indicator of negative figures throughout the measuring period. In terms of its worldwide ranking, Indonesia's positions in the region are less than the 25 percentile. Thus it seems that political stability is regarded as the major national target for Indonesia, according to WGI.⁸⁰

For government effectiveness, Indonesia's bureaucracy as among the worst points out that it is inefficient, with red tape a constant blight to citizens and deterrent to foreign investment, so that bureaucracies may even become power centers in their own right, allowing them to effectively resist efforts toward reforms by politicians and appointed officials. Despite President Susilo Bambang Yudhoyono's strong election mandate and commitment, it still seems that the President himself lacks the power to really shake up Indonesia's bureaucracy. In WGI, Indonesian government ranks below 48 percent in the world. This means that it is more urgent for Indonesian government to ensure bureaucratic effectiveness.

⁸⁰Yunwon Hwang (2011)

In the capacity for a government to formulate and implement sound policies and regulations that permit and promote private sector development, Indonesia shows a relatively poor performance although continuously gradual improvements each year since 2003. These shows that Indonesia still needs changes in government regulation policies to compete with other countries in the global market environment. Montgomery (2002) points out that much has been accomplished with the introduction of deregulation policy measures in agriculture; however, there still remain policy issues to be solved such as the deregulation on the market allocation and nontax price distortion.⁸¹

Indonesia is found that it still needs law enforcement. The operational definition of the rule of law in WGI shows that Indonesia ranks 29 percent. It may be interpreted that the likelihood of crime and violence is highly possible in Indonesia; thereby the rule of law often substitutes the rule of human-beings. The tax system is sometimes undermined by tax evasion and erosion. Government or private contracts are not properly enforced, so, financial fraud and money laundering are involved in the official contract process. The entire court system lacks integrity, frequently leading to solutions to legal problems being sought outside of that system, with occasionally deadly results. Foreign investors seeking redress from the legal system to enforce contracts are systematically discriminated against should their case ever be actually heard. Indonesia may be considered a country in where to have a contract dispute puts a serious question mark over the safety of foreign investment. However, according to estimates, Indonesia are improving in terms of the degree in the rule of law.

Control of Corruption Index for Indonesia in WGI is below 30 percent in percentage ranking scale. In 2009, according to CPI (Corruption Perception Index), Indonesia ranks 111th out of 180 countries. The policy issue of corruption has been a major concern for the government of Indonesia since independence, because corruption eradication is the critical component of administrative reform. Indonesia is trying to eliminate corruption in all aspects and has improved its status from a corrupted status.

3.3 Comparison on Governance Practices of Singapore and Indonesia

⁸¹Yunwon Hwang, (2011)

Governance Indicators illustrate the state of a nation’s performance on how much it reaches a level of good governance resulting from assessing through mostly used six dimensions of governance: voice and accountability, political stability and absence of violence, government effectiveness, regulatory quality, rule of law, and control of corruption. Singapore and Indonesia are the two selected ASEAN nations under study in this case of governance practices.

According to World Economic Forum Global Competitive Survey (GCS), the Worldwide Governance Indicators for (WGIs) Singapore and Indonesia between 2000 and 2014 are shown in Table 3.1.

The WGI are composite measures based on a large number of underlying data sources. Individual data sources have been rescaled to run from ‘0’ (low) to 1 (high). These scores are comparable over time and across countries since most individual measures are based on similar methodologies. In this table, these indicators represent the above mentioned six dimensions of governance where these in turn also demonstrates the level of good governance depending on a nation’s performance.

Table 3.1 Worldwide Governance Indicators for Singapore and Indonesia (2002-2014)

Year	Voice/ Accountability		Political Stability/ Absence of Violence		Government Effectiveness		Regulatory Quality		Rule of Law		Control of Corruption	
	Singapore	Indonesia	Singapore	Indonesia	Singapore	Indonesia	Singapore	Indonesia	Singapore	Indonesia	Singapore	Indonesia
2000	0.7	0.33	na	na	0.93	0.34	0.79	0.45	0.85	0.4	0.91	0.39

2002	0.69	0.44	0.69	0.54	0.88	0.27	0.75	0.38	0.75	0.32	0.91	0.25
2003	0.71	0.44	0.58	0.52	0.92	0.43	0.76	0.44	0.76	0.43	0.91	0.43
2004	0.69	0.51	0.62	0.57	0.89	0.52	0.76	0.58	0.86	0.5	0.91	0.52
2005	0.65	0.49	0.61	0.59	0.9	0.38	0.77	0.51	0.85	0.42	0.91	0.4
2006	0.71	0.39	0.66	0.8	0.89	0.38	0.76	0.66	0.85	0.46	0.94	0.36
2007	0.75	0.46	0.73	0.84	0.89	0.43	0.78	0.62	0.88	0.54	0.91	0.42
2008	0.77	0.47	0.81	0.7	0.93	0.4	0.8	0.59	0.9	0.5	0.93	0.39
2009	0.76	0.55	0.73	0.74	0.9	0.46	0.79	0.58	0.86	0.54	0.92	0.41
2010	0.76	0.53	0.75	0.63	0.89	0.53	0.77	0.54	0.87	0.51	0.93	0.41
2011	0.76	0.52	0.71	0.59	0.89	0.49	0.77	0.52	0.88	0.48	0.92	0.36
2012	0.75	0.52	0.82	0.59	0.88	0.48	0.77	0.52	0.89	0.51	0.9	0.36
2013	0.73	0.54	0.78	0.6	0.85	0.55	0.75	0.57	0.84	0.51	0.89	0.4
2014	0.73	0.54	0.79	0.6	0.87	0.55	0.77	0.51	0.83	0.54	0.89	0.45

Source:https://en.wikipedia.org/wiki/Worldwide_Governance_Indicators

(i) Voice and Accountability

Among the six dimensions, voice and accountability covers those issues of the degree of citizen participation in government and in the policy making process. Voice and Accountability captures perceptions of the extent to which a country's citizens are able to participate in selecting their government, as well as freedom of expression, freedom of association, and a free media.

Accordingly, between 2002 and 2014, Singapore has experienced better performance than Indonesia for voice and accountability. Singapore shows the index as more than 0.5 and from 2006 to 2011, this index is gradually increasing to above 0.70 and reaching 0.77 in 2008 and then declining to 0.76 in the following years. However, it is seen that it has dropped to 0.75 in 2012 and then to 0.73 in the following two years.

For Indonesia, it is seen that the index has been 0.44 in 2002 and 2003, and it increased to 0.51 in 2004 and further on, it cannot sustain that level and fluctuated between 2005 and 2008. However, this index improves to reach 0.55 in 2009 which has been the highest level during the study period. In later years until 2014, it fluctuated again, but still holds on around 0.52.

Comparing the two countries, it is found that Singapore has a better performance than Indonesia though Singapore's voice and accountability index has been on a declining trend after 2008. Indonesia, a country with a long history of being under dictatorship till 1998 is by nature different to Singapore as its history shows the effort put into becoming a strong city state led by Lee Kuan Yew, the founder of this city state. The conditions relating to this index are explained with each country's experience.

The politics of Singapore takes the form of a parliamentary representative democratic republic whereby the President of Singapore is the head of state, the Prime Minister of Singapore is the head of government, and of a multi-party system. Executive power is exercised by the cabinet from the parliament, and to a lesser extent, the President. Cabinet has the general direction and control of the Government and is accountable to Parliament. There are three separate branches of government: the legislature, executive and judiciary, though not necessarily meaning that there is a separation of power, but abiding by the Westminster system. Legislative power is vested in both the government and the Parliament of Singapore. The legislature is the parliament, which consists of the president as its head and a single chamber whose members are elected by popular vote. Singaporean politics have been dominated by the People's Action Party (PAP) since the 1959 general election when Lee Kuan Yew became Singapore's first prime minister (Singapore was then a self-governing state within the British Empire). The PAP has been in government and won every General Election since then.⁸²

Although Singapore's laws are inherited from British and British Indian laws, including many elements of English common law, the PAP has also consistently rejected liberal democratic values, which it typifies as Western and states that there should not be a 'one-size-fits-all' solution to a democracy. Laws restricting the freedom of speech are justified by claims that they are intended to prohibit speech that may breed ill will or cause disharmony within Singapore's multiracial, multi-religious society. All public gatherings of five or more people require police permits, and protests may only be legally held at Speakers' Corner. Singapore also has only one media source being permitted to

⁸²https://en.wikipedia.org/wiki/Politics_of_Singapore

operate. The sections on liberty of the person and freedoms of speech, assembly, movement, association and religion are all qualified by allowing Parliament to restrict those freedoms for reasons including national security, public health, and public order or morality. In practice, the courts have given complete discretion to the government in imposing such restrictions.⁸³

According to the MPH (Meritocracy, pragmatism and Honesty), it is seen that Singapore is widely perceived that some aspects of the political process, civil liberties, and political and human rights are lacking. Democracy and the Press Freedom of Singapore are still in a difficult situation.⁸⁴

The politics of Indonesia take place in a framework of a presidential representative democratic republic, whereby the President of Indonesia is both head of state and head of government, and of a multi-party system. Indonesia has a strong presidential system in executive branch. President is the supreme authority and has power to appoint and dismiss state ministers in accordance with the Article 5 of Constitution. Legislative power is vested in both the government and the two People's Representative Councils. The judiciary is independent of the executive and the legislature.

Under constitutional changes in 2004, the MPR became a bicameral legislature, with the creation of the (DPD), in which each province is represented by four members, although its legislative powers are more limited than those of the DPR. Through his appointed cabinet, the president retains the authority to conduct the administration of the government.⁸⁵

A general election in June 1999 produced the first freely elected national, provincial and regional parliaments in over forty years. Further democratic elections took place in 2004 and 2009. The president and vice-president are selected by vote of the citizens for five-year terms. Prior to 2004, they were chosen by People's Consultative Assembly. The last election was held 9 July 2014. The president heads the Kabinet Kerja which means the cabinet of work.

⁸³ibid.

⁸⁴ibid.

⁸⁵https://en.wikipedia.org/wiki/Politics_of_Indonesia

The President of Indonesia is directly elected for a maximum of two five-year terms, and is the head of state, commander-in-chief of Indonesian armed forces and responsible for domestic governance and policy-making and foreign affairs. The president appoints a cabinet, who do not have to be elected members of the legislature. Though Indonesia is a country with a long period of difficulties, beginning from 1999, the people are able to take part in a free election and as mentioned, democratic elections continue to exist. However, the voice and accountability index, 0.54 is still very low as compared to Singapore's 0.73 in 2014.

(ii) Political stability and Absence of Violence

Political stability and absence of violence include those factors which undermine political stability such as conflicts of ethnic, religious, and regional nature, violent actions by underground political organizations, violent social conflicts, and external public security. Political Stability and Absence of Violence/Terrorism measures perceptions of the likelihood of political instability and/or politically-motivated violence, including terrorism.

For political stability and absence of violence, Singapore's indicators for the period of (13) years show that though the index is mostly between 0.58 and 0.79, this index reached 0.81 in 2008 and 0.82 in 2012. It is found that political stability and absence of violence is in a more favorable situation after 2006.

In Indonesia, this index reached 0.80 in 2006 and 0.84 in 2007 which are the best level of performance for this country. However, after 2007, it has been on a declining trend until 2014 where it is only 0.60 in 2013 and 2014. Indonesia has been targeting to secure the country with no threats of terrorist attacks because it has experienced many attacks and it is thus seen that in Table 3.1, the index for political stability and absence of violence declined after 2007.

Singapore has been established as a city state based on the five principles that the island republic has applied successfully to run the city-state. These principles stated by its leaders are Good, Clean Governance, Integrity and Meritocracy, Anticipate Change and Stay Relevant, Do What is Right, Not What is Popular and the final one is Leadership is

Key.⁸⁶ These have also placed Singapore with the political stability and absence of violence index being at a high level. But for Indonesia, the view is not the same as Singapore.

With over 240 million people, Indonesia includes numerous related but distinct cultural and linguistic groups, many of which are ethnically Malay. Indonesia has suffered for a long time from political instability and violence and for this; it seems that political stability is regarded as the major national target for Indonesia.

Islamic terrorism has been an important factor in Indonesia since the beginning of the new democratic period. Indonesia is in a better position than in the past to overcome different problems that are affecting its population. Islamic terrorism is weaker but it still has the capacity to wage attacks. The full and continuous cooperation between the government and the security forces (police and army) and the reduction of economic and social disparities in the country will help reduce the threat.

The multiple illegal trafficking, the continuous natural disasters, the rapid deforestation and other problems show that Indonesia despite being a real emerging country lacks some structural policies to lead a safe future. Indonesia is in a phase of consolidation and the different threats must be overcome to turn Indonesia into a strong democracy and represent its national motto “Unity in diversity”. Indonesia needs the collaboration of the international community to give a right and far reaching solution to these problems, which are getting bigger and more dangerous.⁸⁷

Comparing the status of political stability and absence of violence of the two countries, Indonesia is more threatened by terrorists, extremists and other problems indicating its weak index while Singapore possess a more stable political situation and absence of violence.

(iii) Government Effectiveness

⁸⁶Wahab, Akaria Abdul (2009)

⁸⁷Opt. cit.

Government effectiveness measures the quality of public services, the quality of the civil service and the degree of its independence from political pressures, the quality of policy formulation and implementation, and thus indicates the credibility of the government's commitment to such policies.

Singapore's indicators of government effectiveness can be observed as being over 0.80 for the whole period under study. It shows the best in 2008 with 0.93, but after this, it gradually decreases in later years with the index being below 0.90. Then, it is 0.85 in 2013, but increases again to 0.87 in 2014 stating that this nation has a better performance as compared to the previous year.

Indonesia's performance is much lower than Singapore as Indonesia's government's effectiveness for all the years in the study period is between 0.27, the lowest seen in 2002 and 0.55 as the highest in both 2013 and 2014.

Singapore's formal institutions of representative government are a colonial legacy, fundamentally based on the Westminster system of parliamentary government. In Singapore, the executive has greater power than the legislature. Regularly held political elections since 1959, run according to the simple plurality voting system, have seen the People's Action Party (PAP) remain in power and a very small number of elected opposition parliamentarians. With an overwhelming majority in parliament, the PAP government has been able to amend the Constitution without much obstruction, introducing multi-member constituencies, unelected parliamentary membership, and other institutional changes that have, in effect, strengthened the government's dominance and control of Parliament. From this powerful location, it has effectively propagated the idea that it is more important for a small country with limited resources and talent to have a meritocratic, pragmatic and economically-orientated government than one that is limited by principles of accountability, transparency and checks and balances. By crediting meritocracy and pragmatism for creating the right conditions for economic success, the PAP government has been able not only to justify its (liberal) democratic deficit, but also to produce ideological resources and a structure of authorization for the

maintenance of a one-party dominant regime. In "pragmatic" terms, Singapore's considerable economic success is justification enough for its authoritarian means.⁸⁸

As mentioned earlier, Singapore civil service and public institutions as one interacts with officers of administrative service, one is deeply impressed by their exceptional span of knowledge and skills, precise grasp of critical issues, sharp wit and vision and truly so Singapore civil service is rated to be one of the best public service in the world. Global competitive report 2009-10 rates Singapore public institutions as the best of the world. Though the visionary leaders of Singapore gave the nation the national character and vision based on reality and accountability, but the implantations and efficient delivery of public service as well transformation of Singapore from a third world country to a developed one was orchestrated by the civil service. The civil service of Singapore has supported much to become a well-developed country.

Indonesia's bureaucracy is inefficient, with a red tape system, the citizens face obstacles and also foreign investors become deterrent to make investments. But still bureaucracies may even become power centers in their own right, allowing them to effectively resist efforts toward reforms by politicians and appointed officials.⁸⁹ President Susilo Bambang Yudhoyono's has put forward strong election mandate and commitment. However, he himself lacks the power to really shake up Indonesia's bureaucracy. Indonesian government is still weak in government effectiveness, it is more urgent for Indonesian government to ensure bureaucratic effectiveness.

(iv) Regulatory Quality

The regulatory quality indicator is the capacity/ability for government to formulate and implement sound policies and regulations that permit and promote private sector development.

The government of Singapore in its commitment to promote private sector development has been in force can be seen in its trend of the regulatory quality indicators between 2002 and 2014. During these years, the index is highest in 2008 with 0.80, but it

⁸⁸<http://www.singapolitics.sg/supperclub/kenneth-paul-tan-one-party-system-may-lack-resilience>

⁸⁹ France-Presse, 2010

is 0.77 in 2014 showing a slight decline. Overall, it is between 0.75 and 0.79 indicating Singapore's regulatory quality indicator is at a stable level.

However, Indonesia's regulatory quality indicator is 0.66 in 2006, the highest performance level in this dimension and most of the remaining years move around between 0.44 and 0.62. So, Indonesia is much weaker in this performance than Singapore.

Singapore intended to have a clean government that made decisions in the public interest and not to enrich its leaders earned the trust of the people. It provided certainty to investors, who knew that the rules of the game were laid down in law and more importantly, adhered to that they, could not be changed arbitrarily based on personal favors or relationships. While rules and regulations were important, the integrity and ethical standards of both government and corporate leaders were just as, if not more important. In Singapore, the state has taken on the role of promoter and practitioner of Corporate Social Responsibility, a logical development in view of the dominant role of the government in the local economy. The [Economic Development Board Act](#) exists to stimulate the growth, expansion and development of Singapore's economy.

Indonesia shows a relatively poor performance although continuously gradual improvements each year since 2003. These two indicators imply that Indonesia still needs changes in government regulation policies to compete with other countries in the global market environment. Indonesia puts efforts into eliminating distorted local monopolies, monopsonies, trade restrictions, inter-island maximum shipment quotas and other barriers for effective farming business in 1998. Montgomery (2002) points out that much has been accomplished with the introduction of deregulation policy measures in agriculture; however, there still remain policy issues to be solved such as the deregulation on the market allocation and nontax price distortion.

(v) The Rule of Law

For the rule of law, it measures the extent to which agents have confidence in and abide by the rules of society, and in particular the quality of contract enforcement, property rights, the police, and the courts, as well as the likelihood of crime and violence.

According to the table (3.1), the rule of law index for Singapore expresses as this country having a high level of performance. In 2008, the index is 0.90 as the highest during this period. Then, it also states that in 2011 as 0.88 and in 2012 as 0.89. However, it declines to 0.83 in 2014.

In Indonesia this indicator is highest with 0.54 in the years, 2007, 2009 and 2015. This level indicates that the rule of law in Indonesia is still weak and the government has to look into the situation where this index is not in a stable trend.

Although Singapore's laws are inherited from British and British Indian laws, including many elements of English common law, the PAP has also consistently rejected liberal democratic values, which it typifies as Western and states that there should not be a 'one-size-fits-all' solution to a democracy. Laws restricting the freedom of speech are justified by claims that they are intended to prohibit speech that may breed ill will or cause disharmony within Singapore's multiracial, multi-religious society. Some offences can lead to heavy fines or caning and there are laws which allow capital punishment in Singapore for first-degree murder and drug trafficking. Amnesty International has criticized Singapore for having "possibly the highest execution rate in the world" per capita. The Singapore Government responded by asserting it had the right as a sovereign state to impose the death penalty for serious offences.⁹⁰

In enforcing the rule of law, Indonesia is found that it still needs law enforcement. It may be interpreted that the likelihood of crime and violence is highly possible in Indonesia. The dignity and safety of persons and goods are not fully secured by official law enforcement systems, often overridden by criminal organizations. For the tax system, there is sometimes tax evasion and erosion which the government needs to enforce to abide the tax regulations. Due to government or private contracts being not properly enforced, financial fraud and money laundering are involved in the official contract process. The entire court system lacks integrity, frequently leading to solutions to legal problems being sought outside of that system, with occasionally deadly results. Foreign investors seeking redress from the legal system to enforce contracts are systematically

⁹⁰https://en.wikipedia.org/wiki/Politics_of_Singapore

discriminated against should their case ever be actually heard. These chronic law enforcement shortcomings of a coherent legal system in Indonesia stem as much from a pervasive patrimonial system which owes much to the cultural and political legacy of the sultans. Therefore, Indonesia may be considered a country in where to have a contract dispute puts a serious question mark over the safety of foreign investment (Dean, 2002). However, according to estimates, Indonesia is improving in terms of the degree in the rule of law.

(vi) Control of Corruption

Finally, the control of corruption means the abuse of public power, office, or resources by government officials or employees for personal gain, by extortion, soliciting or offering bribes or the extent to which public power is exercised for private gain, including both petty and grand forms of corruption, as well as capture of the state by elites and private interests.

Singapore is being in the top ranks concerning control of corruption. It is expressed in the table that its index on control of corruption is highest in 2006 with 0.94. Though beginning from 2002, it has an index of more than 0.90 till 2011; it has dropped slightly to 0.89 in the remaining years of 2013 and 2014.

In contrast, Indonesia's index has never reach above 0.52 as in 2004, and it is 0.45 in the last year, 2014. Indonesia's figures state that Indonesia still has much to do with corruption which seems to be still dominating in all the six dimensions.

Singapore's government operating model was based on a firm commitment to good and clean governance and has always eschewed corruption in Singapore. In the recent Transparency International survey, Singapore was ranked the world's third least corrupt nation after New Zealand and Denmark. Singapore had also been consistently ranked among the top five least corrupt nations in the past few years, and the scores in the survey were the result of a systematic effort by the government over the past 50 years, to weed out corruption. This was because over the years, Singapore has built a culture that rejects and is intolerant of corruption at all levels. It has put in place tough laws tackling corruption and enforced these strictly. The efforts of the Singapore government to tackle corruption deserved to be praised as it is achieved largely because its founding leaders are

honest, clean and incorruptible themselves rather than the strength of the Singapore political system itself.

Corruption is a major problem in Indonesia requiring reform of underlying economic and political structures. The economy needs to be made more open and political structures need to become more democratic to initiate this process, the equilibrium of the old system needs to be ruptured. Indonesia is one developing nation where corruption was a major factor causing the slow economic growth and during the post-Soeharto period before President Susilo Bambang Yudhoyono (SBY) administration, the governments of Indonesia endeavored in order to eliminate corruption. But, anti-corruption efforts were too weak through poor follow-up and weak implementation. As a result, the economic growth slowed and declined compared with other Asian countries.

Control of Corruption Index for Indonesian WGI is 0.45 in 2014 while Singapore has 0.89 which is of much difference. This index in WGI shows that Indonesia has been struggling with corruption for the last decade. The policy issue of corruption has been a major concern for the government of Indonesia since independence, because corruption eradication is the critical component of administrative reform. An enactment of corruption prevention related acts highlights any government or political regime at any time, and any country cannot be an exception. Indonesia is trying to eliminate corruption in all aspects and has improved its status from a corrupted status; this can be seen as its control of corruption index is 0.25 in 2002, the best is in 2004 with 0.52, when the then president Susilo Bambang Yudhoyono began the fight against corruption. In later years, the condition has deteriorated and slightly gaining back in 2013.

In Singapore, good governance and strong leadership are the critical elements which underpin how the Singapore government steers its future forward. Over the years, the Singapore government has distilled a set of principles on governance and leadership to guide its decision and policy-making. As mentioned, the visionary leaders of Singapore had given the nation, the national character and vision based on reality and accountability. However, the implantations and efficient delivery of public service are

crucial in the transformation of Singapore from a third world country to a developed one as was orchestrated by the civil service.

In Indonesia, the freedom of expression, association, and media needs to be greatly improved since the voice and accountability indicator shows relatively low in comparison with other countries. In spite of active and assertive drives toward the political stability of Indonesian government, there found some potentialities of politically motivated violence and terrorism via unconstitutional and violent means which should be rooted out. The quality of the civil service and policy formulation and implementation in Indonesia needs to be more quickly enhanced to acquire a full credibility of government. The quality of regulatory policy and rule of law need to be further enhanced, and the corruption must be more strictly controlled in Indonesia in comparison with other developed countries. However, this does not necessarily mean that Indonesia is in a far lower position than other countries.

It is been found that although these countries may be moving towards good governance and clean government, there is still a long way to continue these efforts such that this commitment will go through the future ahead.

3.4 A Brief View on the needs of Good Governance Practices in Myanmar

Promoting good governance has become the major policy agenda around the world for the last decade and Indonesia is no exception. Among other issues in good governance lies the best quality of the public sector operation. In the pursuit of good governance, there are key factors that need to be addressed by the government. It is required whether or not, the government is efficient and accountable enough to deliver public goods and services so that people will be able to be satisfied with what they receive from it. Then, the government should manage and control corruption by the strict policy measures. Regulation is needed such that people are not hindered in their everyday activities and businesses. It is also a concern for the government to secure participatory democracy in order for government to assure the views of minorities and the voices of the most vulnerable in society in policy making process.

As good governance practices for Singapore and Indonesia are shown as a comparison of the two countries, the case of Myanmar is briefly stated to see the difference between Myanmar itself and the two countries. Myanmar, also like Indonesia, has experienced many successive governments with military backed governments taking hold of power from 1962 to 1988 and then again from 1988 to 2011. The country has its first freely elected government in 2011, but still the majority of the government's members are from the previous governments who participated in the election under the Union Solidarity and Development Party (USDP).

In order to make a study on good governance practices in Myanmar, the factors that are accounted in the WGI indicator are applied in this case. These indicators include the voice and accountability, political stability and lack of violence/terrorism, government effectiveness, and regulatory quality, rule of law and finally, control of corruption. However, it must be noted that Myanmar's facts and figures concerning all the above mentioned indicators are not available to the extent as those of Singapore and Indonesia.

Table 3.2 World Governance Indicators for Myanmar (2000-2014)

Year	Accountability Voice/	Abs. of Violence Pol. Stability/	Govt. Effectiveness	Regulatory Quality	Rule of Law	Control of Corruption
2002	0	0.15	0	0.05	0.06	0
2003	0	0.15	0	0.05	0.06	0
2004	0	0.05	0	0.05	0.03	0
2005	0	0	0	0.05	0.03	0
2006	0.09	0.3	0	0.15	0.16	0
2007	0.09	0.28	0	0.15	0.16	0
2008	0.09	0.2	0	0.15	0.16	0
2009	0.09	0.2	0	0.15	0.16	0
2010	0.09	0.2	0	0.15	0.16	0
2011	0.09	0.2	0	0.15	0.16	0
2012	0.12	0.25	0	0.15	0.19	0
2013	0.20	0.3	0.19	0.20	0.19	0.23

2014	0.22	0.3	0.23	0.20	0.16	0.24
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Source:https://en.wikipedia.org/wiki/Worldwide_Governance_Indicators

For the first dimension which is voice and accountability, Myanmar's index for this case was reported only from 2006 to 2014. However, it is seen that both Singapore and Indonesia are far way above Myanmar's status. Myanmar has its index being only showing a low 0.09 from 2006 to 2011 and only in 2012 that it has risen to 0.12 which is still not a good performance for Myanmar' voice and accountability. But some improvement can be seen in 2013 with 0.20 and thence, 0.22 in 2014. It is that Myanmar turned to a democratic rule in 2011 where changes and reforms went underway. However, Myanmar still needs to put its effort in reforming the nation such that it can have better performance like other Asian nations.

Political stability and absence of violence include those factors which undermine political stability such as conflicts of ethnic, religious, and regional nature, violent actions by underground political organizations, violent social conflicts, and external public security. Political Stability and Absence of Violence/Terrorism measures perceptions of the likelihood of political instability and/or politically-motivated violence, including terrorism. For political stability and absence of violence, Myanmar's indicators from 2006 to 2014 show that the index is between 0.15 and 0.30. In 2006, it was 0.30 stating the best in the period of 13 years. Then, it declined again to the lowest 0.20 in 2012 and gaining again to 0.30 in 2013 and 2014. It is found that political stability and absence of violence is more favorable after 2011. Actually, as mentioned before, it was due to the fact that Myanmar's new democratic government took power in 2011.

Government effectiveness measures the quality of public services and policy formulation and implementation, and thus indicates the credibility of the government's commitment to such policies. Myanmar's condition on government effectiveness cannot be exposed between 2000 and 2012 due to lack of data. But for 2013 and 2014, these indexes were 0.19 and 0.23 respectively which states its government effectiveness is still weak as compared to Singapore and Indonesia.

In assessing the regulatory quality indicator of WGI which is the capacity for government to formulate and implement sound policies and regulations that permit and promote private sector development, Myanmar still has a relatively poor performance with little improvements in 2006 and then, in 2014. These imply that Myanmar still needs changes in government regulation policies to compete with other countries in the global market environment.

In enforcing the rule of law, though the indicators show as Myanmar's performance is not in a favorable position, it has been on an improving form beginning from 2006 with 0.16 increasing from 0.03 in 2005. Then, it also reached to 0.19 in 2012 and 2013, but unfortunately dropped to 0.16 in 2014 found that it still needs law enforcement. It may be interpreted that the likelihood of crime and violence is still possible in Myanmar. It required official law enforcement systems for the safety of persons and goods to be fully secured.

Control of Corruption Index for Myanmar has not been available from 2000 to 2012. Myanmar's anti-corruption law was enacted only on 7th August, 2013 and went into force on 7th September, 2013. Thus, only in 2013 that it is stated as 0.23 and 0.24 in 2014. At present, the Action Committee against bribery, formed in January, 2013 and Citizen Rights, Democratic and Human Rights Sub Committee was formed in October 2013, are inaction to prevent and combat corruption, and to strive for the interests of the people. According to CPI (Corruption Perception Index) measured by Transparency International, Myanmar ranks 172 among 172 countries in 2012 but it became 156 among 175 countries in 2014. This states that Myanmar has made some progress in its fight against corruption.

According to the indicators above, it is found that Myanmar's indexes are not in a favorable position and it can even be stated that they all are still in a weak position. Myanmar has passed successive governments which are of different types with the earliest being monarchism, then, the colonial rule by the British, the Japanese invasion and under the British again from whom the country gained its independence.

After independence, the parliamentary government existed from 1948 to 1962, with a caretaker government by the army from 1958 to 1960. In 1962, the Revolutionary

Council took power till 1974 followed by the Burma Socialist Programme Party (BSPP) from 1974 to 1988 with the goal of building a socialist society, the leadership role of the BSPP led by General Ne Win. In 1988, economic difficulties were followed by civil unrest. The State Law and Order Restoration Council (SLORC) took control of the nation in September, 1988 and later renamed as State Peace and development Council (SPDC) in 1997. Then, in 2011, a newly elected democratic government came into existence.

In this, Myanmar's governance indicators were not available fully under these successive governments and so the situation of Myanmar's governance practices is presented as much as the data is available. Even, it is found that Myanmar's governance practices are not in a favorable condition and in future, Myanmar has to put much effort concerning good government practices.

CHAPTER IV

OVERVIEW ON GOVERNMENT STRUCTURE AND GOVERNANCE PRACTICES OF MYANMAR

Governance is the way a society sets and manages the rules that guide policy-making and policy implementation and also includes process of decision-making and implementation. Government is one of the actors in governance. In 1992, the term, good

governance was initiated by the World Bank as the manner in which power is exercised in the management of a country's economic and social resources for development.⁹¹

Myanmar is one country that has passed through many successive governments, from colonial rule to the democratic government in 2011. These successive governments stand on various types of administration and governance practices cannot be of similar trends. Of all the governments, Myanmar has been under the control of a military regime from 1962 to 1988 for 26 years and thence, again under a military backed government, such that it has been under the rule of such governments for nearly 50 years. Therefore, the governance practices for Myanmar can be seen as many weaknesses existed during the period of those governments where the government is one of the main actors in governance as mentioned.

4.1 Historical Background of Public Administration in Myanmar

Myanmar has a long history of its existence as it has been a country ruled by the kings till 1885, then; it went under the British Rule till it gained independence in 1948. But during the Second World War, the Japanese ruled for a short period and the British came again in 1945 and ruled till 1948. After independence, the successive governments were the Parliamentary government (1948 to 1962) where from 1958 to 1960, a Caretaker government had to take control of the government, The Revolutionary Council and Socialist government (1962 to 1988), then; a military backed government (1988 to 2011) and an elected democratic government (from 2011 to 2016).

Myanmar's Successive Governments before Independence

Myanmar has undergone through successive governments since the country under the Myanmar Kings fell into the British rule in 1885. Under the Myanmar Kings, there was no separation of power in the main functions of the administration. It could observe that till the early *Konboun* period, the main administrative organizations were the *Byedeik*, *Ashe-yone*, *Anauk-yone* and *Tayar-yone* which were established as the central administration. Although the *Hluttaw* was the most responsible body in administration,

⁹¹ IFAD, (1999), retrieved from <http://www.ifad.org/gbdocs/eb/67/e/EB-99-67-INF-4.pdf>

all power, the legislative, executive and judicial power were vested only in the King.

The British annexed Myanmar after three wars and proclaimed it as a part of the British Empire on January 1, 1886. The *Hluttaw* was abolished on March 31, 1886 and the administrative system that was then used in Lower Myanmar was introduced to Upper Myanmar as well. The British administration can be divided into three periods with early British administration from 1886 to 1923, *Dyarchy* administration from 1923 to 1937, and a new British administration.

Under the early British administration (1886-1923), the British had occupied the whole country and the British government assumed that a strong and effective administration was necessary. The administrative structure during the period of British Commissioner can be seen as there were advisory board of Burmese Ministers, Executive Bodies, and Judiciary Body. The executive function of administration was exercised by the Secretariat of Burma while Judicial Commissioners (Upper and Lower Burma) took charge of the country's judiciary activities. The Financial Commissioner (Revenue) was responsible for the financial activities of the country. In the administrative structure of the British colonial administration it could be observed that there was no Legislative body, but executive and judicial bodies in the formal structure. Therefore the major administrative goals during that period were maintaining law and order, administering justice, and collecting revenue.

Then, between 1923 and 1937, the *Dyarchy* Administrative system was practiced. Until 1923 the head of the Government of Burma was a Lieutenant-Governor. Since then the post had been that of Governor. To assist him the Governor had in the first place his Council of Ministers, selected from the Legislature. Under the *Dyarchical* administration there were only four corresponding posts, two Members of Council and two Ministers, however, with the *91 Htana* (Departments) administrations there was additional Departments, previously administered by the Government of India, such as Customs, Income Tax, and Railways. The Ministers were to be chosen by the Governor and the intention was that the Governor shall select a Prime Minister. Under the 91 Departments administration, it consisted of two Chambers as it was in *Dyarchy*. In the latter system, Legislative Council, it consisted of 103 members, of whom 80 were elected and 21

nominated, the other two being the Members of Council who were ex-officio members. Of the nominated members not more than 14 may be officials. The new Lower Chamber, which was the House of Representatives, consisted of 132 members, all elected.

From 1937 to 1942, Myanmar had been separated from India in accordance with the Report of Simon commission. After separation from India, new administrative system was introduced to Myanmar in accordance with the 1935 Act. Since Myanmar being separated from India Federal State, Myanmar government could appropriate its own budget to make use of the departments concerned. Bicameral Legislative System had been introduced as House of Representatives and Senate. The Senate was organized with 36 representatives. Out of which 18 were elected from the members of the House of Representatives. The House of representatives had been organized with 132 members out of which 91 were elected members from 91 constituencies, 12 from *Kayin* community, 8 from Indian community, 3 from British minority, 2 from Anglo-Indian minority, 6 from British Chamber of Commerce, 3 from Indian Chamber of commerce, One from Chinese Chamber of Commerce, and one from Myanmar Chamber of Commerce. The Governor had to consult and acted in accordance with the advice given by the Ministers unless he had to give personal directives or decision to be implemented.

To implement the administrative system in Myanmar in accordance with the 1935 Government of Burma Act, two administrative jurisdictions areas were established: Part I Scheduled Areas and Part II Scheduled Areas. The Part I Scheduled Areas included Federated Shan States, ThaungThut, Sinkalein, Khanti, Khanti-lone, Rakhine Hilly regions, Chin division, Myitkyina, Bahmaw, Kachin Hilly regions including Katha districts, Triangle area, Hukaung pass and non-administered areas. The Part II Scheduled Areas composed of the regions which were not consisted in the regions of former areas, particularly Myitkyina and Bahmaw areas and Homalin, Mawlike, Village tracks in Tamu township, Kyarinn Township, Kawkareik Township, Eastern regions in Taungoo District and Hilly regions in Thaton District. Previously Part I Scheduled areas were under developed areas and Part II Scheduled areas were the areas to which the Governor had administered directly.

Regarding to administration of Part I Scheduled areas, it was clearly stated in

Para 7 of the 1935 Government of Burma Act by which the governor was entrusted power to manage Defense, Christian Missionaries Activities, and other Affairs within Part I Scheduled area, Financial Management, Regulation of currency and molding the sovereign coins, Foreign Relations with the option of relations with other dominion countries within the British Empire. In addition, the Governor was also entrusted the power and to take responsibility to manage Myanmar and other parts of relative areas which were within or without the British Empire as demarcated in Part I Scheduled area. The Governor had the right to appoint not more than three Ministers to be a consultative body.

Myanmar's Successive Governments (Post-Independence Period)

Myanmar became an independent nation once again on January 4, 1948. The Constitution of 1947 legitimized the government administrative system. It consisted of the cabinet that was responsible to a bicameral legislature made up of the Chamber of Deputies and Chamber of Nationalities. The President was elected by both Chambers of Parliament in joint session by secret ballot. The Chamber of Deputies was composed of members who represent constituencies determined by law and there were one hundred and twenty-five seats in the Chamber of Nationalities. The members of the former were elected on a population basis and those of the latter were elected on a racial basis.

The Prime Minister was nominated by the Chamber of Deputies and other members of the government were chosen by the Prime Minister. The Prime Minister was the head of the government and the government was collectively responsible to the Chamber of Deputies. From 1948 to 1958, Myanmar was under AFPFL government in which freedom of speech and assembly, the principles of judicial independence, and the legal framework of parliamentary democracy were largely practiced AFPFL leaders were committed to building a socialist welfare state. The structure of government of the Union of Myanmar (1948-1958) is shown in Appendix (1).

The Caretaker government (1958-1960) with military administration intervened with two objectives: to restore law and order and to hold a free and fair election. In addition to the responsibility of holding elections, the Caretaker government performed two other significant tasks for the country. The first was that the Caretaker Government

could smoothly sign the Boundary Demarcation Agreement with the Republic of China. And, the second was the abolition of the remaining feudalistic system of the Shan State and Kayah State by law. In 1960, the *Pa-Hta-Sa* party won a majority in election and ruled the country for two years.

Regarding the administrative system in the post- independence period, the form and structure of the Parliamentary administrative system was generally a continuation of those of the British colonial administration. As an independent nation, Myanmar people fully participated in exercising the legislative, executive and judiciary functions in the country. The structure of government of the Union of Myanmar (1958-1960) and (1960-1962) are shown in Appendix (2) and (3).

In 1962, the Revolutionary Council assumed power to set the country on the path to Socialism. The Revolutionary Council government gave way to the establishment of the Socialist Republic of the Union of Myanmar in 1974.

According to the proclamations by the Revolutionary Council, it was the highest organ of State Power, exercising Legislative, Executive and Judicial powers. The Chairman of the Revolutionary Council was empowered with the three powers of the State by the Revolutionary Council dated March 9, 1962. On May 9, 1962, the Central Security and Administrative Committee was created and State, Divisional, District, Township, and Village Security and Administrative Committees were simultaneously organized. The Committees at different levels were to co-ordinate, supervise and inspect the works of the government departments in their localities.

From 1962 to 1974, the Revolutionary Government took power of the country, paving the way to establish the Socialist Republic of the Union of Burma in 1974. The Burmese Socialist Programme Party (BSPP) government was committed to socialist democracy and the socialist system which included the Peoples' Assembly and a unicameral legislature elected for a four-year term. There are two parts of government structure: one is from 1962 to 72 and the other is from 1972 to 74 as shown in Appendix (4) and (5).

During the BSPP period, the Party was the sole leader and decision-maker in administration. A significant characteristic of the socialist administration was that there

was no place for State Ministers in the administrative hierarchy. It may be interpreted that the BSPP could completely control all levels of administration over the periods. The 1974 Constitution stated that 14 States and Divisions in the Union of Myanmar were equal in power and status. Thus, it may be assumed that it achieved national unity and mutual understanding among the nationalities to some extent. Another measure implemented along with the new administrative system was the system of administering justice by the people. The primary role of the people in the management of their own affairs was emphasized.

For establishment of a Socialist country the constitution was written, approved and adopted. Elections to the *Pyithu Hluttaw* and People's Councils at different levels were successfully held and efforts made for the functioning of socialist democratic administrative machinery. Under the new constitution, the goal of the state was to become a socialist society. The *Pyithu Hluttaw*, while exercising exclusive legislative power, delegated executive and judicial powers to the central and local organs of state power formed under the constitution. The statements may be interpreted that it was under obligation to follow the guidelines of the BSPP although the *Pyithu Hluttaw* was the highest body of the state. Therefore, the legislative power resided in the *Pyithu Hluttaw* formed with people's representatives. And the Central and local organs of State power possessed the executive and judicial powers delegated by the *Pyithu Hluttaw* in accordance with the constitution.

As economic policies were inappropriate, economic performance was weak with downward trends in rice exports, overall export earning, savings and investments. These economic difficulties were followed by civil unrest in 1988 and the State Law and Order Restoration Council (SLORC) took control of the nation in September, 1988. Then the SLORC was lately renamed as State Peace and Development Council (SPDC) in 1997. Then, in 2011, a newly elected democratic government came into existence.

4.2 Overview of Myanmar Current Government System

In this section, governance structure, legal framework, state and region government and citizen's view on transparency and accountability of state and region government are explored.

4.2.1 Government Structure

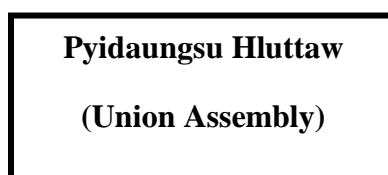
Myanmar has passed through from an authoritarian military system to democratic governance, then, from a centrally planned economy to a market oriented economy. The Association of South-East Asian Nations (ASEAN) integrating toward one economic community provide an important opportunity for Myanmar's re-entry and integration to the sub-regional, regional, and global economies. Thus, Myanmar is going forward integrating into the world economy parting from decades of isolation, fragility and conflict. But capacity constraints are large and it needs long-term reforms to improve its governance.

In March 2011, a new Government came to power articulating a policy framework for people-centered and sustainable development, giving priority to improving the quality of life of ordinary citizens, and especially poor citizens and fulfilling the basic needs of the people. Economic reform was outlined as a key priority of the new government.

In March 2011, a new Government was formed with the national (Union Assembly) Parliament, known as the *Pyidaungsu Hluttaw*, is composed of a People's Assembly (*Pyithu Hluttaw*) and a Nationalities Assembly (*Amyotha Hluttaw*) under the 2008 Constitution.

Myanmar's **legislative power** lies with the Union Assembly(*Pyidaungsu Hluttaw*), under which are the National Assembly(*Amyothar Hluttaw*) with 224 representatives, and 168 are elected persons and (56) military appointees from each Region and State. Then, there is the People Assembly (*Pyithu Hluttaw*) with 435 representatives where representatives are elected from the 325 constituencies and 110 military appointees. In the Region and State *Hluttaw*, representatives include two representatives elected from each township and one representative from ethnic nationalities meeting the 0.1% criterion and military appointees numbering 25% of the total seats. The legislature structure of Myanmar is shown in Figure (4.1).

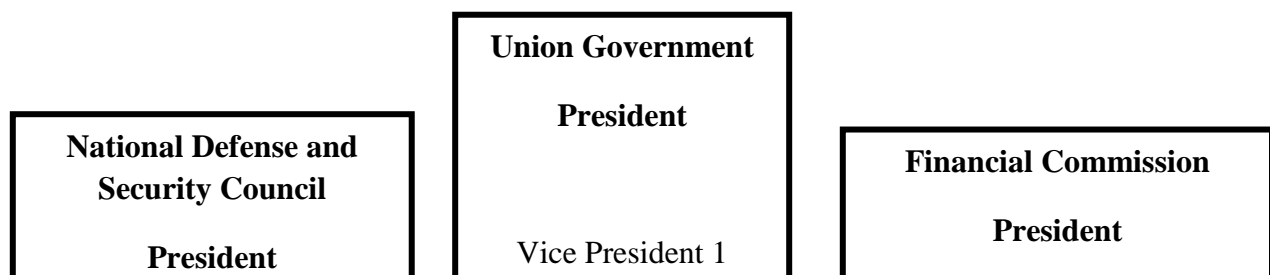
Figure (4.1) Legislature of Myanmar



Source: Myanmar Centre for Responsible Business, Government Structure and Legal Framework, 2015

For the **executive power**, the Union Government comprises the President, two Vice-Presidents, and (36) Union Ministers. Then, for Region and State Governments, there are a Chief Minister for each Region and State, and Region/State Ministers, and an Advocate General. The National Defense and Security Council is also formed with the President, Vice-President, speakers of *Pyithu Hluttaw* and *Amyothar Hluttaw*, Commander in Chief, Deputy Commander in Chief, Defense, Home and Border Affairs Ministers. A Financial Commission is formed with the President, Vice-Presidents, Attorney and Auditor Generals, Chief Ministers of Regions/States, Chairperson of Naypyitaw Council and the Finance Minister. The executive structure of Myanmar is shown in Figure (4.2).

Figure (4.2) Executive of Myanmar



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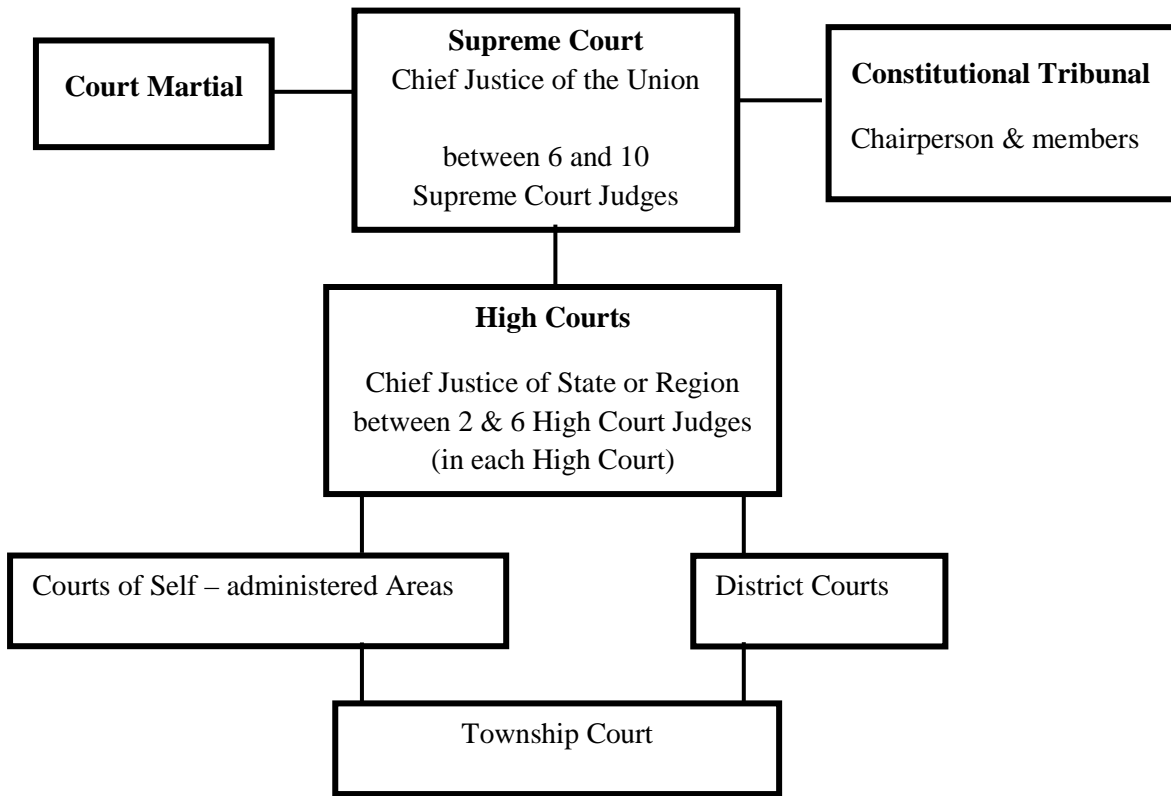
Source: Myanmar Centre for Responsible Business, Government Structure and Legal Framework, 2015

A Chief Minister is appointed for each State and Region and that each State/Region has a unicameral legislative assembly (*Hluttaw*), but laws passed by the Union Assembly (*Pyidaungsu Hluttaw*) are superior to those passed at the Regional/State level. The areas in which they can pass laws are limited to the eight sectors listed in Schedule Two of the Constitution. Leading Bodies of Self-Administered Areas comprises the Chairperson and members. There must be at least 10 members including the chairperson. Membership is made up of Region or State *Hluttaw* representatives elected from the townships concerned. One of each is chosen to be chairperson with military appointees and additional persons selected by these and one representative to other ethnic nationalities having a population over 10,000 in the area concerned. Military appointees number 25% of the total seats.

The judicial power is organized as the Supreme Court at the union level with Chief Justice of the Union, and it is composed of between (6) and 10 Supreme Court Judges. Then, at the Region/State level, there are High Courts with Chief Justice of

Region/State comprising between (2) and (6) High Court Judges and under these High Courts are the Courts of Self-Administered Areas and District Courts with the lowest of Township Court. Besides, Constitutional Tribunal with Chairperson and (8) members and Court martial for Defense services are also formed. Chart (4.3) shows the judiciary structure of Myanmar.

Chart (4.3) Judiciary of Myanmar



Source: Myanmar Centre for Responsible Business, Government Structure and Legal Framework, 2015

The administrative structure is organized as, into the following levels of administration, starting with the lowest administrative level: the village, with several grouped together into village tracts; urban wards; towns, with several grouped together into townships (where the lowest levels of government offices are generally located);

townships are then organized into districts; several districts then comprise a region or state. Regions and States are constitutionally equivalent. In this administration structure, at the village level, there are (68297) villages in (13627) village tracts, at the township level, (325) townships, and at the district level, (69) districts.

The Union Assembly (*Pyidaungsu Hluttaw*), elected in November 2010, was convened in early 2011 and has shown a degree of independence from the executive branch. However, 25% of both the upper and lower Houses are reserved for serving military officers and appointed by the Commander-in-Chief, while the USDP has also won most of the other parliamentary seats in the 2010 elections.

A major priority has been a rapid programme of updating its laws where 68 laws were enacted since autumn 2011, with 20 in the first three months of 2014 alone. While there is justifiable urgency to the programme to update its laws, the lack of experience and expert knowledge of most legislators, the very ambitious legislative agenda, and the speed with which legislative decisions are being taken raises questions about the effectiveness and coherence of some of the new legislation. Due to the tendency to rush through legislation, there has been little effective consultation with the public, which is a serious deficiency. Not only does consultation develop a sense of participation and buy in, it would improve the legislative process. The Attorney General's Office also plays a role in checking draft laws, including for conformity to the country's international commitments and consistency with existing laws. The International Bar Association recommended a law reform commission, in order to make reforms as consistent and efficient as possible.

Constitutional amendments are also under discussion after a Joint Committee for Reviewing the Constitution was formed in July 2013 and nationwide consultations took place. The Committee submitted its report to Parliament on 31 January 2014 and another committee was formed in Parliament to take the amendment process forward.

According to the Constitution, the governance structure to some extent, gives effect to the separation of powers principle. It provides a system that permits reciprocal checks and balances, and requires that members of the executive and judicial arms of government cannot at the same time be members of the legislature. A Constitutional

Tribunal can determine whether measures taken by the executive authorities of the Union, States, Regions and self-administrative areas are in conformity with the Constitution.

This judicial review may be initiated by representatives of the *Hluttaws*, the Chief Justice of the Union, the President or the Chief Minister/Chairperson of the executive government of a Region, State or self-administrative area. It may also be initiated where a dispute arises over the constitutionality of a law in a hearing of a case before any court.

However, the Constitution makes an incursion into the separation of powers principle by entrenching the military in both the executive and legislative arms of government and placing the armed forces outside of the oversight of the executive, legislature and judiciary. As noted above, currently 25% of seats in the Union Assembly (*Pyidaungsu Hluttaw*), and in the State and Region Assemblies, belong to unelected members of the military. At the same time, members of the military are mandated or permitted to occupy positions in the executive arms of the Union, States and Regions. The military personnel for all these positions must be nominated by the Commander-in-Chief of the Defense Services. The reality is that the military's influence over the legislature is not limited to just the 25% of seats, as it has considerable influence over non-military *Hluttaw* representatives. Stability in government and prospects for further reforms that advance the rule of law and human rights are therefore, according to the Constitution, dependent to considerable extent on the military's will and restraint.⁹²

4.2.2 Legal Framework and Judicial Issues

Myanmar inherited a common law system from Great Britain as implemented in colonial India with few updates of the laws after the 1950's, not until the recent changes in 2011. Since the 1950s, legal precedent has not been used, nor significant case law developed. As such, many outdated and repressive laws from the colonial era remain on the books, including the Penal Code. The main sources of law in Myanmar, codified under the "Burma Code" (13 volumes, enacted 1841 – 1954), are still in force today, unless specifically superseded.

⁹²Myanmar Centre for Responsible Business, Government Structure and Legal Framework, 2015

The 2008 Myanmar Constitution has been in force relating to the new democratic government since 2011. After the 1974 constitution was suspended, a new constitution was drafted and was approved in May 2008. The 2008 Constitution contains a range of aspiration, though unenforceable, statements of principle related to business and economic development, including around: equitable valuing of “peasants” agricultural produce; the rights of workers; a changeover from manual to mechanized agriculture; facilitating industrial development; reducing unemployment; a number of free market-type principles including not nationalizing economic enterprises or demonetizing currency in circulation; and affirming certain property rights. The 2008 Constitution provides enforceable guarantees that relate to a range of rights, some of which apply to citizens only and some of which are more broadly applicable. Moreover, most of these guarantees do not fully reflect international human rights standards, due to the wide qualifiers and caveats they contain.

Some Constitutional rights/ guarantees are specifically designated to “all persons”, which on their plain wording should apply to both citizens and noncitizens, including broadly the right to equality; life and liberty (security of the person is not recognized in the Constitution); freedom from forced labor and servitude work. While others are specifically designed to “citizens” only, including broadly the right to freedom from discrimination, privacy, freedom of movement, property, freedom of expression, freedom of assembly and association, elect and be elected, socioeconomic development of “less developed national races” (including education, health, economy, transport and communications), health, education, just and fair conditions of work, participate in cultural life.

Judicial System

Reforming the rule of law in Myanmar has been a major focus of the administration under new democratic government. The Government’s Framework for Economic and Social Reforms notes the lack of effectiveness and predictability of the judiciary. The judicial system is widely considered to be under-resourced, politically influenced and lacking in impudence. However, reform will take a long time, and substantial resources, and not least, changes in attitude to the rule of law, starting from

the bottom up with attention to legal education. The legal education system has been eroded by decades of underinvestment, and the legal profession targeted by long-term political restrictions, leading to a major shortage of lawyers taking up cases.

Judicial independence in Myanmar to date has been essentially non-existent, with judges accustomed to acting as administrators rather than arbiters, basing decisions on state policy, instead of legal reasoning and the application of precedent. While there are basic principles of separation of powers integrated into the Constitution, it is not complete.

The broad power of the President to appoint the judges of the Constitutional Tribunal, the Supreme Court of the Union, and the High Courts of Regions and States is problematic. The President's nominees must be approved by the relevant Assembly. A recent report by the parliamentary Rule of Law and Stability Committee found continued intervention by administrative officials in the judicial system. This indicates that structural changes will be required to put in place a rigorous separation of powers. There is no Ministry of Justice. Systemic corruption in the administration of justice is a major concern, manifesting itself through bribes, delays, and obstructions, with a widespread local perception that the courts in Myanmar are corrupt and unfair.

As a result, many would resort instead to local-level dispute resolution mechanisms they perceive to be more reliable, accessible and affordable. These local-level mechanisms generally involve village leaders and/or elders' councils. Although the village leader has an obligation to inform the police about serious crimes, smaller issues and petty crimes can be settled by the village leader and/or the elders' council formed with a small group of respected men within a village. In addition, there is currently little in the form of a legal aid system in Myanmar, making it impossible for many to afford the time and cost commitments of using the court system.

In conflict areas, the issue would be taken to the head of the controlling armed group. In addition to the courts, other bodies responsible for the administration of justice, including the police, lack the training and capacity to enforce the rule of law.

Judicial and Non-Judicial Mechanisms

With respect to the court system, according to the Constitution, Courts of the Union include: the Supreme Court of the Union; High Courts of the Region; High Courts of the State; Courts of the Self-Administered Division; Courts of the Self-Administered Zone; District Courts; Township Courts; other Courts constituted by law; Courts-Martial; and Constitutional Tribunal of the Union. As in most countries, the Supreme Court is the highest Court in the country, though it does not have jurisdiction over the powers of the Constitutional Tribunal or the Courts-Martial. There is no jury system in Myanmar. Cases are normally tried by a single judge though in special cases the Chief Justice of the Supreme Court can instruct to form a panel of judges.

The Government has also taken a number of actions to provide non-judicial grievance mechanisms to the public in the absence of a fully functioning judiciary. However, these mechanisms are already overloaded with complaints and hindered by limited mandates. Many businesses commonly seek to incorporate safeguards into their investment contracts by ensuring access to international – rather than domestic – arbitration tribunals in the event of an investment dispute. Myanmar acceded to the 1958 New York Convention on the Recognition and Enforcement of Arbitral Awards in April 2013, which entered into force July 2013. This solidifies the ability of foreign investors to submit disputes with Myanmar Government and commercial partners to international arbitration.

The Myanmar legislature is now reportedly considering a new law based on the 1985 Arbitration Act, which would enable Myanmar courts to recognize and enforce international arbitral awards. An equivalent assurance of access to remedies for most Myanmar people affected by private sector operations is still a practical impossibility. Accountability in Myanmar is a new phenomenon and one that will take time to take root. It is particularly important in these circumstances that companies provide operational-level grievance mechanisms for those working in or affected by their projects as they have few effective alternatives for remedy.

Existing Non-Judicial Grievance Mechanisms in Myanmar include;

- (1) The Parliamentary Rule of Law and Stability Committee formed in August 2012 to serve as a mechanism for the general public to lodge complaints about government departments.
- (2) The President's Office opened a public access portal for people to submit opinions and complaints directly to the President.
- (3) A non-judicial labor dispute settlement system to resolve disputes between employers and workers is in place, but implementation is still weak due to lack of adequate knowledge about the newly enacted labor laws.
- (4) A number of mechanisms to hear land disputes, including a Parliamentary Committee on Land Confiscation Inquiry, but without a mandate to give binding decisions.
- (5) While the Myanmar National Human Rights Commission (MNHRC) was established in September 2011, the MNHRC Law was only enacted on 28 March 2014. The MNHRC has a broad mandate of promoting and monitoring compliance with human rights. It is empowered to investigate complaints and contact the concerned person, company or government department and can recommend action. It can also make its recommendations public. It can undertake inquiries and will prepare an annual report to the President and Parliament. It is also mandated to consult different stakeholders including CSOs. The President selects members after proposals by a selection board. While the law provides that proposed members should have expertise or knowledge in different areas relevant to human rights including from civil society, it does not guarantee pluralism, or a total independence from the Executive, in accordance with the Paris Principles.
- (6) The International Labor organization (ILO) and Myanmar Government have agreed a complaints mechanism to allow victims of forced labor an opportunity to seek redress/remedies from government authorities in full confidence that no retaliatory action will be taken against them. The October 2013 report by the Myanmar Liaison Officer notes that there have been an increasing number of complaints about forced labor in association with land confiscation, with people either losing their livelihoods completely or being required to work on land which they have traditionally occupied.

The three branches administrative structure of the government is shown in Appendix (11) and ministerial structure is shown in Appendix (12).

In 2011, Myanmar was still labeled as a pariah state and this perception has changed since a year after a series of politically liberalizing measures were introduced. The President announced a “second stage of reforms” in May 2012, focusing on the social and economic transformation of Myanmar. In accordance with the vision and guidelines of the president, the Framework for Economic and Social Reforms (FESR) was developed in consultation with senior officials of various ministries and departments of the government from the period of May to October, 2012.⁹³ The ministerial government structure is also changed including a total of 36 ministries as shown in Appendix (13).

4.3 Performance of Good Governance Practices in Myanmar

Myanmar conducted its first democratic general election in 2010, where the Union Solidarity and Development Party (USDP) had won over seventy-five percent of the parliamentary seats in all three parliaments. As Myanmar transitions from an autocratic government into a democratic government, certain measures had been taken to increase their transparency, accountability, and corruption control. In order to meet the good governance standards prescribed by international institutions, the measures to be taken included practicing free and fair elections, creating independent institutions, allowing freedom of the media, and becoming bureaucratically and financially accountable. As Myanmar attempts these reforms, they fall dramatically short of the standards of good governance set by the international community.

In reviewing the good governance practices in Myanmar, good governance is having sound public sector management, that is, efficiency and effectiveness, accountability, exchange and free flow of information which is to have transparency, and a legal framework for development, which is to have justice, respect for human rights and liberties.

In order to act under policies of good governance, free and fair elections must be held. Electoral independence is necessary for good governance. By electoral institutions maintaining independence, they reduce the likelihood of electoral fraud by incumbents.

⁹³ FESR (2012)

However, in Myanmar, the Union Election Commission, whose 18 members are appointed by the government, is responsible for organizing and overseeing the elections, as well as vetting the candidates and political parties for parliament. By having all members of the electoral commission being appointed by the government, Myanmar forgoes their electoral independence. Moreover, a new law was released in 2008, that restricted political participation in the form of political parties and who is eligible to run for office. In addition to the previous electoral laws, the 2008 constitution guarantees that the government has a significant amount of power over the political process, limiting the amount of change that can occur due to elections. The combined electoral laws and the fix amount of power constitutionally protected by the military junta has led the civilian population of Myanmar and international bodies to consider the elections in 2008 and 2010 to be fraudulent and a faux form of democracy.

Myanmar's good governance performance can be viewed through surveys of governance conducted by various institutions such as World Bank, World Economic Forum etc., focusing on rule of law and the extent of corruption as shown in the following Tables.

Table 4.1 Overall Governance Indicators of Myanmar *(Percentile rank)*

Indicators	Myanmar
WEF Global Competitiveness Index: Overall Rank (2014-15)	134/144 (6.9%)
WB Ease of Doing Business: Overall Rank (2015)	177/189 (6.3%)
WB World Governance Indicators: Government Effectiveness Rank (2014)	202/210 (3.8%)
Freedom House Freedom in the World: Overall Rank (2014 edition)	147/182 (14.2%)
Heritage Foundation Index of Economic Freedom: Overall Rank (2014)	162/178 (9.0%)

Source: Freedom House 2014, Heritage Foundation 2014, World Bank (WB) 2014, World Economic Forum (WEF), 2014

Table 4.1 expresses the government effectiveness for 2014, based on the mentioned sources. Myanmar's percentile ranks are 6.9% on the WEF overall

competitiveness indicator, 6.3% on the World Bank’s Ease of Doing Business index, 3.8% on the World Bank’s government effectiveness rank, 9% on the Heritage Foundation’s overall economic freedom indicator, but it scores 14.2% on the Freedom House index. According to ranks, it can be seen as Myanmar’s rank in all five indicators being very low where government effectiveness shows Myanmar as ranking 202 out of 210.

Moreover, according to Table 4.2, the World Bank measure of the rule of law is a composite designed to capture perceptions of the extent to which agents have confidence in and abide by the rules of society, in particular with respect to contract enforcement, property rights, the police, and the courts as well as the likelihood of crime and violence. The rank for Myanmar is 199 out of 212, while for judicial independence, it scores 18.8% while the rank stands at 117 out of 144. For the remaining indicators, all scores except World Bank’s Ease of Doing Business: Enforcing Contracts Rank is 158 out of 189 but the score only 2.1%.

Table 4.2 Legal System Indicators of Myanmar *(Percentile rank)*

Indicators	Myanmar
WB World Governance Indicators: Rule of Law Rank (2012)	199/212 (6.1%)
WEF Global Competitiveness Index: Judicial Independence Rank (2014–2015 edition)	117/144 (18.8%)
WEF Global Competitiveness Index: Efficiency of Legal Framework in Settling Disputes Rank (2014–2015 edition)	125/144 (13.2%)
WEF Global Competitiveness Index: Efficiency of Legal Framework in Challenging Regulations (2014–2015 edition)	128/144 (11.1%)
WB Ease of Doing Business: Enforcing Contracts Rank (2015 edition)	158/189 (2.1%)
WB Ease of Doing Business: Resolving Insolvency Rank (2015 edition)	160/189 (15.4%)

Source: World Bank 2014, World Economic Forum 2014

For transparency and accountability, Myanmar practices are weak in the financial sector; it practices strict censorship of the media and other forms of communication. Without the media to deliver information made accessible by the government, there would be little way to the civilian population to have the tools to hold their government

accountable. Corruption is considered one of the major obstacles in good governance. In 2011, Myanmar placed 180th in Transparency International’s Corruption Perceptions Index, a report that ranks countries according to their perceived level of corruption in the public sector on a range from 1st (very clean) to 182nd (highly corrupt). As a result, corruption control is considered imperative to the future democratic health of Myanmar. Corruption has become systematic in the Myanmar government, specifically the practice of bribery. This systematic corruption makes it difficult for investors to do business in Myanmar. Many reforms are required for Myanmar to meet the factors required to have good governance.

Table 4.3 states the status of transparency and corruption. Myanmar showed a noticeable improvement in the 2013 TI ranking that is, Transparency International corruption perception index being 157 out of 175 countries. In percentile terms, the country scores better on the WEF’s favoritism in decisions of government officials (11.8%), the World Bank’s control of corruption indicator (11.4%), and the WEF’s diversion of funds indicator (15.3%). In the case of the open budget index rank, Myanmar was in the last place among 98 countries. Reforms involving publication and parliamentary discussion of the national budget will make improvement in this context and also other ongoing reforms in the areas of transparency and corruption will likely ensure to show improvement.

Table 4.3 Transparency and Corruption Indicators of Myanmar (Percentile rank)

Indicators	Myanmar
Transparency International Corruption Perceptions Index Rank (2013)	157/175 (10.2%)
WB World Governance Indicators: Control of Corruption Rank (2012)	186/210 (11.4%)
Heritage Foundation Index of Economic Freedom: Freedom From Corruption Rank (2014)	180/184 (2.7%)
WEF Global Competitiveness Index: Diversion of Public Funds Rank (2014–2015 edition)	122/144 (15.3%)
WEF Global Competitiveness Index: Irregular Payments and Bribes Rank (2014–2015 edition)	139/144 (3.4%)

WEF Global Competitiveness Index: Favoritism in Decisions of Government Officials Rank(2014–2015 edition)	127/144 (11.8%)
International Budget Partnership: Open Budget Index Rank (2012)	98/98 (0.0%)

Source: World Bank 2014, World Economic Forum 2014

Overall, Myanmar’s governance performance is still very low in all aspects. Myanmar still needs to undertake various reform measures to put itself into the international community and it is also required to engage in broad governance reform and develop the institutions necessary for a growing economy.

4.4 Administrative Structure of States and Regions

The Republic of the Union of Myanmar comprises seven states and seven regions named in the 2008 Constitution, six self-administered zones or divisions, and one union territory containing the capital *Naypyitaw* and surrounding townships. The smallest formal administrative unit is the village, with several grouped together into village tracts. Urban wards, towns and village tracts are grouped into townships, where the lowest levels of government offices are generally located. Collections of townships are organized as districts, which in turn form the region or state.⁹⁴

Most villages and village tracts had already, or were in the process of indirectly electing village heads to replace centrally-appointed village administrators.⁹⁵ Township administrations are headed by the senior official of the General Administration Department (GAD) of the Ministry of Home Affairs, and do not yet have a body of elected representatives. Nevertheless, it is at the township level that many key functions of government take place such as birth registration, land registration, and most forms of tax collection. Districts form a middle tier of administration connecting state/region governments to townships, and are also headed by a senior official from the GAD.

Population in different states and regions ranges from about seven million in Yangon to only a few hundred thousand in Kayah. Land area, and consequently

⁹⁴ Constitution of Myanmar (2008)

⁹⁵ Constitution of Myanmar (2008)

population density, also varies greatly from place to place, with a few of inhabitants per square kilometer in highland states such as Chin or Kachin, and many hundreds in Yangon. On the whole, the states tend to have a lower population and population density than the regions, reflecting the situation of states in the hills that form the historical borderlands of Myanmar.

Legislature

The *Hluttaw* is composed of two members elected per township and additional elected representatives for each of the national races comprising greater than 0.1 percent of the state/region population, but not already obtaining an ethnic state (such as the Karen in Kayin State). The Commander-in-Chief appoints military representatives equal to one-third of these elected members (and thus one quarter of the total), the same proportion as in the national legislative institutions.⁹⁶ A chairperson, speaker, and deputy speaker are elected by the *Hluttaw* for legislature structure. Due to the differing size of township populations, the township based constituency system results in a widely varying numbers of constituents per representative.

A Schedule Two of the Constitution lists the areas over which the Region or State *Hluttaw* shall have the right to enact laws, establishing a loose basis for a division of powers between the national levels (the Union) and the states and regions. These areas are divided into eight sectors, each with specific responsibilities, several of which are deferred for future definition in accord with the law enacted by the Union.⁹⁷

In some sectors, such as Agriculture, the assigned responsibilities are broad; while in most they are quite narrow and limited. In Energy, Electricity, Mining, and Forestry, responsibilities are limited to power generation that is off the national grid, regulation of salt products, polishing local gems, and firewood. Similarly, the social sector is limited to some areas of traditional medicine, welfare, stevedoring, and cultural heritage preservation, leaving the major areas of education and health excluded.

The Region /State assemblies can legislate on matters of land revenue, municipal taxes on buildings and land and the sale, lease and other matters involving property of the

⁹⁶ Constitution of Myanmar (2008)

⁹⁷ Constitution of Myanmar (2008)

Region or State. On the other hand, revenues from the exploitation of the natural resources of a Region or State are to be paid to the Union Fund, and not to the Region or State Fund. The Region/State *Hluttaws* have so far passed very few laws. Moreover, the effectiveness of these legislatures is further circumscribed by capacity issues at the local level. The Union Government does not need approval from state or regional governments for large scale investments in their local jurisdictions, although they must be informed, and their views are sought as part of the evolving ESIA process and on foreign lease of land in their area. Local governmental authority is still quite limited, as is its capacity to take on some of the more technical dimensions of natural resource management such as geological assessments or negotiating contracts.

Executive

The Chief Minister and cabinet ministers are drawn from among the members of the *Hluttaw*. The appointment process for chief ministers involves the President selecting a state/region *Hluttaw* member possessing the required qualifications, who is then confirmed by the *Hluttaw*. As a candidate may only be rejected for proven failure to meet the constitutional qualifications, the selection of the Chief Minister is entirely in the hands of the President, with the proviso that he or she is a member of the state/region *Hluttaw*.⁹⁸ It is important to note that the member selected by the President is usually an elected member, but may also be drawn from the military appointees.

The appointment of state/region ministers is largely in the hands of the Chief Minister. There are three different types of ministerial posts for state and region governments. The largest group are filled by persons with the required qualifications, selected by the Chief Minister from among the *Hluttaw* representatives or other suitable candidates, and then approved by the President. Unlike these civilian ministries, the state/region Minister for Border and Security Affairs is a military officer nominated by the Commander-in-Chief of the Defense Services, who does not relinquish his military post. In addition, where elected ethnic representatives are present according to the provision for dedicated constituencies for groups with 0.1percent of the population, these

⁹⁸ Constitution of Myanmar (2008)

elected *Hluttaw* representatives will be appointed Minister of Ethnic Affairs for their ethnicity.

The constitution essentially assigns states and regions executive authority over the same areas as those included in the legislative list, though new responsibilities may be added under union law. State and region cabinet ministers are thus mandated to manage, direct, control, and inspect departments covering these areas in the region or state.⁹⁹

The administrative structure of the state and region is built around the pre-existing General Administration Department, a unit of the National Ministry of Home Affairs. This department automatically forms the Office of the Region or State Government and its head is the ex-officio Secretary of the Region or State Government. The constitution and laws thus fall short of creating separate state and region ministries.

A final quite crucial point is that the GAD's parent ministry, Home Affairs, is one of three union ministries whose minister is constitutionally appointed by the Commander-in-Chief of the armed forces from among active duty military personnel.

Judiciary

States and regions have a High Court consisting of a Chief Justice and between three and seven judges. The High Court supervises subsidiary district, township and self-administered area courts. There is no independent judicial service. The state/region Chief Justice is nominated by the President, in consultation with the Chief Justice of the Union, and the judges by the Chief Minister, also in consultation with the national Chief Justice. The nominations are submitted to the state/region *Hluttaw* for approval, but as with other posts, the assembly can only refuse the nominations with clear proof that the nominees do not meet the qualifications. However, the state/region *Hluttaw* can impeach High Court judges through an investigation and two-thirds vote, but only at the instigation of the President or Chief Minister.

All courts are subordinated to the national Supreme Court, which has final appellate authority over other levels, including resolving disputes, except the Constitutional problems, between the Union Government and the Region or State

⁹⁹ Law for Region/State Government (SPDC Order No.16/2010), Art. 31 (a)

Governments. For issues of constitutional interpretation, including constitutional disputes between regions, states and the union, power rests with a separate Constitutional Tribunal of the Union. The President and the speakers of the two national representative bodies appoint the nine members of this body in equal share, and there is no appeal.

In general, appointment procedures and judicial structures limit judicial independence in Myanmar as a whole, and its states and regions. The state or region government also includes an Advocate General, nominated by the Chief Minister with the same pro forma approval by the *Hluttaw* to provide legal advice and guidance. The Advocate General is accountable to both the President and the Attorney General of the Union through the Chief Minister. The organizational structure of state and region government is shown in Appendix (14).

Nowadays, good governance is the most crucial factor in poverty reduction and use as major tool for achieving economic development of countries¹⁰⁰. With the initiation of various reform measures, the good governance issue becomes indispensable for achieving economic and social progress in Myanmar since 2011. The structure of governance has changed together with the various reforms measures in diverse fields. In Myanmar, good governance practices in all 14 States and Regions are studied in this chapter.

To explore the citizens' views on governance in each State and Region of Myanmar are studied in this section based on UNDP's Local Governance Mapping Reports for all States and Regions where components of governance are studied covering the situation in both rural and urban areas. In this chapter, perception of citizens on components of good governance in each State and Region are illustrated. These components include effectiveness and efficiency, transparency and rule of law, accountability, participation and equity, which are examined through citizens' views on improvements and challenges, safety and security, development planning, access to services information, transparency and accountability in each State and in each Region.¹⁰¹

¹⁰⁰ Abdellatif, A M (2003)

¹⁰¹ UNDP, Local Governance Mapping (2014)

4.5 Citizen's view on Transparency and Accountability of State and Region Governments

In March 2013, Township Development Support Committees (TDSC) and the Village Tract or Ward Development Support Committees (VT/WDSC) were established in States and Regions to achieve one of the objectives of the administrative reform programme of the Government of Myanmar by the introduction of people-centred development through bottom-up planning. Since 2012, governance reforms are operating in a supportive environment for rapid improvements in service delivery. Capital and recurrent budgets have increased, and new committees and positions have been well supported by Union and Region actors. They can be further strengthened through further decentralization of fiscal systems and stronger reflections of citizens' priorities through continuous bottom-up planning. Among States and Regions, however, different results were experienced between 2013 and 2015 in the realm of development planning, access to services and information, transparency and accountability based on their background socioeconomic development.

In Kachin State, there is a clear need for a documented and transparent project management process. According to UNDP report, 81% of the citizens in rural areas are not aware of any government funds being spent in their area. There is also limited awareness of important governance actors. WA/VTA is the most essential and most consistent point of contact between township administrations in increasing transparency and participation of elders and cooperation with government in some parts.

As there was lack of transparency in the final decision-making process at the Kayah State, the allocation of funds and development fund budgets are managed by different departments or government institutions at the township levels. Therefore, at the township level, concerning transparency and accountability of government has small improvements in Kayah State over the past few years. 72% of the citizens mentioned that the information provided by the township administration about important government information and new projects was not enough.

The role of civil society in the governance processes at the township level is still very limited. Civil society, including the media, can play an important role in improving the quality of governance by holding government accountable and by demanding openness in information provision.

In Kayin State, transparency and accountability of government, the cornerstones of a sustainable democracy, small improvements have been made in Kayin State over the past few years according to the various stakeholders at the township level.

In Chin State, low improvement in transparency will be very difficult to fight corruption within the government system and improve on accountability, and eventually increase the trust of people in their government. The General Administration Department is more transparent - particularly with respect to the tendering and procurement process in Chin State.

Mon State has a significant improvement in access to public information, application of policies and institutions at the local level with a view to preventing malfeasance, advocating for and focus on excluded groups, improving support to Village Tract Administrators, establish clear and transparent procedures for township planning, budgeting and tendering.

In Rakhine State official information provision flow is still through the traditional hierarchical channels. 77% of the people were dissatisfied with the information provided by the township government about new projects to be implemented in the village tract or ward.

Shan State government is clearly aiming for increased transparency but still may require for both Union and State government to design some specific information sharing strategies, using both the traditional and still effective way of mouth to mouth. In Shan State, people acknowledge the improvements in service delivery, in road infrastructure, education, health and, water supply.

In Sagaing Region, 44% of the rural respondents mentioned WA/VTA as primarily responsible followed by 22% regarding officials of the Union or Region government responsible. 90% of the respondents mentioned that the government has

generated improvements in a broad range of areas over the past three years, including significant investments in the areas identified as the top priorities by citizens.

In Taninthayi Region, rural respondents do not generally rely on the media for information: just 4% received information on laws and directives from the government by newspaper, 17 % by television and 35% by radio, suggesting that they remain underserved by transport of goods and communications networks.

As regards to transparency and accountability of government at the township level, only small improvements have been made in Bago Region over the past few years according to the various stakeholders involved in the study. Formally, there have only been minor changes in the accountability structures at the township and village tract/ward level over the last few years. Access to information is critical for improving transparency and accountability. Information is flowing downward from the township administration and departments to the VTAs and to the committee members but this information is not reaching citizens at the community level.

In Magway Region, there is a significant change in service delivery, which is reflected in generally high satisfaction ratings among the population. For improvement in information, transparency and accountability, it is insignificant in Magway Region. When looking at local governance from an aspect of accountability and information management, the newly emerging role of VTA/WA can be highlighted as the emergence of the various development funds that require the involvement of communities, in Magway Region.

In Mandalay Region, regarding transparency and accountability of government, there have only been minor changes in the accountability structures at the township and village tract or ward level over the last few years. Access to information is critical for improving transparency and accountability. More information is flowing downward from the township administration and departments to the VTAs and to the committee members but this information is not always reliably reaching citizens at the community level.

Yangon Region is different from all other States and Regions not only in terms of population, density and economic activities, Yangon Region stands apart from the other Regions and States; but also in terms of its institutional organization. At township and

sub-township level downward accountability relationships are still evolving, as they need to follow a clear assignment of tasks, which is still ‘work-in-progress’. The tendency of setting up committees responsible for public sector decision-making, with a mixed composition of both appointed government staff and elected peoples’ representatives risks compromising the clarity of accountability relations between providers of public sector services and the population.

In Ayeyarwady Region, people usually do not rely on government assistance to address problems and only through everyday challenges by themselves at the community level. The Township Administration provides information concerning plans for new development projects to citizens sufficiently in their ward/village tract. In contrast, 72% of community survey respondents did not think they were receiving enough information of this nature, though this varied by ward/village tract. Like other Regions, there is some reluctance among township management with respect to the media in Ayeyarwady Region.

CHAPTER V
ANALYSIS ON GOVERNANCE PRACTICES IN
SELECTED GOVERNMENT MINISTRIES

A survey is conducted in selected ministries of Myanmar Government (2011-2016) to make an analysis on governance practices through eight dimensions. These dimensions include transparency, participation, accountability, consensus oriented, responsiveness, equitable and inclusiveness, rule of law and effectiveness and efficiency.

5.1 Survey Profile and Design

In this survey, out of total of (36) ministries, the selected ministries are National Planning and Economic Development, Health, Education, Home Affairs, and Electric Power. Among the staff of each ministry, officials ranking between director and staff officer level were chosen as sample respondents using purposive sampling method. Sampling frame was developed by compiling the lists of staff from each selected ministry. The total sample size for this study is (405) respondents from five ministries. Research design for the study involves the use of quantitative data collection by conducting a survey. The questionnaire is designed involving the eight dimensions of good governance with specific questions concerning each dimension. The questionnaire has two sections where the first is focused on demographic characteristics of the respondents and the second focused on the eight dimensions.

The structured questionnaire had multiple choice questions in which were provided a choice of answers and respondents were asked to select one or more of the alternatives and also dichotomous questions that had only two response alternatives, yes or no. And also used 'Likert Scale' is also used considered on (1) Do not know, (2) Never, (3) Rarely, (4) Sometimes and (5) Always. Collected data were tabulated, analyzed and interpreted in the light of the objectives of the study by applying descriptive statistics. For the questions, 5 score was given for 'Always', 4 score for 'Sometimes', 3 score for 'Rarely', 2 score for 'Never' and 1 score was given for the response of 'Do not know'. The reverse was applied for the negative questions.

5.2 Characteristics of Respondents

The demographic characteristics of the respondents concerning age, gender, educational qualification, position and working experience are shown as follows.

In the Ministry of National Planning and Economic Development (MNPED), there are 579 officers (from director to staff officers). Among them, although 100 questionnaires are distributed, only 75 respondents answered the questionnaires, so the coverage is (12.9%).

Table (5.1) Demographic Characteristics of Respondents from MNPED

Age Level (year)	21-30		31-40		41-50		51-60		Total
	No.	%	No.	%	No.	%	No.	%	
	16	21.3	25	33.3	28	37.3	6	8	75
Gender	Male				Female				75
	No.		%		No.		%		
	17		22.7		58		77.3		
Educational Qualification	Bachelor				Master				75
	No.		%		No.		%		
	53		70.7		22		29.3		
Position	Staff Officer		Assistant Director		Deputy Director		Director		75
	No.	%	No.	%	No.	%	No.	%	
	33	44	24	32	12	16	6	8	
Working Service (year)	1-10		11-20		21-30		30 and above		75
	No.	%	No.	%	No.	%	No.	%	
	33	44	18	24	22	29.3	2	2.7	

Source: Survey data

According to Table (5.1), most of the respondents of MNPED are found to be between 31 and 50 years of age making up a total of 53 respondents (70.6 percent of the total respondents) and also female respondents are 77.3 percent of the total respondents. Educational qualification shows that 52 respondents (70.7 percent) have Bachelor degrees and the rest are Master degree holders (29.3 percent). The position status can be seen as the majority of the respondents (42 respondents or 56 percent) includes directors, deputy directors and assistant directors. Only eight of the respondents have over 25 years of working experience and 25 respondents have experience between 16 and 25 years such

that these respondents have been working in this ministry for quite a long period and they can be assumed as being in touch with the ministry's working procedures.

Table (5.2) Demographic Characteristics of Respondents from MOH

Age Level (year)	21-30		31-40		41-50		51-60		Total
	No.	%	No.	%	No.	%	No.	%	
	26	31.7	18	22.0	16	19.5	22	26.8	82
Gender	Male				Female				82
	No.		%		No.		%		
	24		29.3		58		70.7		
Educational Qualification	Bachelor				Master				82
	No.		%		No.		%		
	69		84.1		13		15.9		
Position	Staff Officer		Assistant Director		Deputy Director		Director		82
	No.	%	No.	%	No.	%	No.	%	
	49	59.8	26	31.7	7	8.5	0	0	
Working Service (year)	1-10		11-20		21-30		30 and above		82
	No.	%	No.	%	No.	%	No.	%	
	36	43.9	15	18.3	22	26.8	9	11.0	

Source: Survey data

For the Ministry of Health (MOH), there are 82 respondents and according to Table (5.2), most of the respondents are found to be between 21 and 30 years of age making up a total of 26 respondents (31.7 percent of the total respondents) and also female respondents are 70.7 percent of the total respondents. Educational qualification shows that 69 respondents (84.1 percent of the total respondents) have degree of Bachelor of Medicine and Bachelor of Surgery (MBBS) degrees and together with Master degree. The position status can be seen as the majority of the respondents (49 respondents or 59.8 percent) are staff officers. Only 9 of the respondents have over 31 years of working experience and 25 respondents have experience between 16 and 30 years such that these respondents can be seen as working in this ministry for certain a long period and they can be assumed as being more experienced in working procedures of the ministry.

There are 87 respondents selected from Ministry of Education (MOE) and the demographic characteristics of these respondents were shown in Table (5.3).

Table (5.3) Demographic Characteristics of Respondents from MOE

Age Level (year)	21-30		31-40		41-50		51-60		Total
	No.	%	No.	%	No.	%	No.	%	
	4	4.6	28	31.2	18	20.7	37	42.5	87
Gender	Male				Female				87
	No.		%		No.		%		
	28		31.9		59		68.1		
Educational Qualification	Bachelor				Master				87
	No.		%		No.		%		
	55		63.2		32		36.8		
Position	Staff Officer		Assistant Director		Deputy Director		Director		87
	No.	%	No.	%	No.	%	No.	%	
	41	47.1	21	24.3	19	21.8	6	6.9	
Working Service (year)	1-10		11-20		21-30		30 and above		87
	No.	%	No.	%	No.	%	No.	%	
	19	21.8	24	27.6	24	27.6	20	23.0	

Source: Survey data

Table (5.3) shows the demographic characteristics of the respondents from MOE concerning age, gender, educational qualification, position and working experience. Most of the respondents are found to be between 51 and 60 years of age making up a total of 37 respondents (44.7 percent of the total respondents) and also female respondents made up 59 respondents or 68.1 percent of the total respondents. Educational qualification shows that 51 respondents have a degree of Bachelor of Education together with other Bachelor degrees. The position status can be seen as 41 respondents are staff officers, and also 21 respondents are assistant directors, 19 respondents are deputy directors and 6 persons are at the director level. Then, 20 of the respondents have over 31 years of working experience such that these respondents can be assumed as being in touch with the ministry's working procedures, because of the long years of service in this ministry.

Among the officers of Ministry of Home Affairs (MOHA), 90 respondents are selected and the characteristics of these respondents are shown in Table (5.4).

Table (5.4) Demographic Characteristics of Respondents from MOHA

Age Level (year)	21-30		31-40		41-50		51-60		Total
	No.	%	No.	%	No.	%	No.	%	
	18	20	33	36.7	24	26.7	15	16.7	
Gender	Male				Female				90
	No.		%		No.		%		
	75		83.3		15		16.7		
Educational Qualification	Bachelor				Master				90
	No.		%		No.		%		
	77		63.2		13		36.8		
Position	Staff Officer		Assistant Director		Deputy Director		Director		90
	No.	%	No.	%	No.	%	No.	%	
	55	61.1	24	26.7	8	8.9	3	3.3	
Working Service (year)	1-10		11-20		21-30		30 and above		90
	No.	%	No.	%	No.	%	No.	%	
	37	41.1	22	24.4	22	24.4	9	10.0	

Source: Survey data

Table (5.4) shows the demographic characteristics of this ministry where most of the respondents are found to be between 31 and 40 years of age making up a total of 33 respondents and also male respondents constitute as 75 respondents or 83.7 percent of the total respondents. Educational qualification shows that 33 respondents hold Bachelor of Science degree, 29 respondents have Bachelor of Arts degree. The position status can be seen as 55 respondents are staff officers, 24 respondents are assistant directors, and 11 respondents are deputy directors. Only 9 of the respondents have over 31 years of working experience where they can be assumed as being more in touch with the ministry's working procedures.

The last selected ministry is Ministry of Electric Power (MOEP) and the characteristics of 71 respondents are shown in Table (5.5).

Table (5.5) Demographic Characteristics of Respondents from MOEP

	21-30	31-40	41-50	51-60	Total
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Age Level (year)	No.	%	No.	%	No.	%	No.	%	
	12	16.9	38	53.5	14	19.7	7	9.9	71
Gender	Male				Female				
	No.		%		No.		%		
	40		56.3		31		43.7		71
Educational Qualification	Bachelor				Master				
	No.		%		No.		%		
	49		69.0		22		31.0		71
Position	Staff Officer		Assistant Director		Deputy Director		Director		
	No.	%	No.	%	No.	%	No.	%	
	33	46.5	31	43.7	5	7.0	2	2.8	71
Working Service (year)	1-10		11-20		21-30		30 and above		
	No.	%	No.	%	No.	%	No.	%	
	28	39.4	31	43.7	9	12.7	3	4.2	71

Source: Survey data

According to Table (5.5), 38 of the total respondents are found to be between 31 and 40 years of age. Male respondents totaled 40 respondents or 56.1 percent of the total respondents. Educational qualification shows that majority of the respondents hold AGTI, BE and ME degrees. The position status can be seen as 33 respondents are staff officers, 31 respondents are assistant directors, 5 respondents are deputy directors and at the directory level is 2 respondents. Only 3 of the respondents have between 26 to 30 years of long working experience where they can be assumed as being more in touch with the ministry's working procedures.

5.3 Knowledge on Ministry Concerned and Current Information Delivery Systems

This part shows how much knowledge they have about their ministry such as the objective and organization structure and information departments. Nearly all of the respondents have answered how much knowledge they have on their respective ministry as shown in Table (5.6).

Table (5.6) Knowledge on Ministry Concerned

Sr No	Particular	MNPED	MOH	MOE	MOHA	MOEP
1	Do you know the objective of this Ministry?(Yes)	67 (89.3%)	73 (89.0%)	74 (85.1%)	80 (89.3%)	57 (80.5%)
2	Is there a clear organizational structure in this Ministry?(Yes)	69 (92.0%)	75 (91.5%)	87 (100%)	83 (92%)	71 (100%)
3	Is there any Information Department in this Ministry?(Yes)	66 (88.0%)	72 (87.8%)	85 (97.9%)	79 (88%)	69 (97.6%)

Source: Survey data

Tables (5.6) states the knowledge on the ministry concerned and how information is delivered at present. Nearly all the respondents (more than 80 %) have answered that they knew the objective of the ministry and that the ministry has a clear organizational structure. They also responded as the ministry having a separate Information Department. Moreover, even for the information system, the delivery system has different types as shown in Table (5.7).

Table (5.7) Current Information Delivery System

Sr No	Particular	MNPED	MOH	MOE	MOHA	MOEP
1	Dispatch	18 (24.0%)	15 (18.3%)	19 (21.3%)	22 (24.0%)	14 (19.5%)
2	Internet	2 (2.7%)	1 (1.2%)	7 (8.5%)	2 (2.7%)	-
3	Notice board	6 (8.0%)	1 (1.2%)	-	7 (8.0%)	3 (4.9%)
4	Others	1 (1.3%)	3 (3.7%)	2 (2.1%)	1 (1.3%)	-
5	Dispatch+ Internet	3 (4.0%)	1 (1.2%)	4 (4.3%)	4 (4.0%)	5 (7.3%)
6	Dispatch+e-mail+Telephone	20 (26.7%)	17 (20.7%)	15 (17.0%)	24 (26.7%)	16 (22.0%)
7	Dispatch+e-mail+Noticeboard+Announcement in Public Meeting	10 (13.3%)	12 (14.6%)	37 (42.6%)	12 (13.3%)	31 (43.9%)
8	Dispatch+Internet+e-mail+Telephone+Notice board	15 (20.0%)	32 (39.0%)	3 (4.3%)	18 (20.0%)	2 (2.4%)

Source: Survey data

The information delivery systems in the respective Ministries show that the majority uses dispatch, e-mails, internet, telephones, notice boards and even announcements in public meetings. The Ministries of National Planning and Economic Development, Health and Home Affairs use mostly dispatch e-mails and telephones (26.7%, 20.7% and 26.7% respectively). The Ministry of Education and the Ministry of Electric Power, information delivery system is by using many ways like dispatch, e-mail, internet, notice boards and announcements in public meetings which is about 42.6% and 43.9% respectively.

5.4 Different Items of Characteristics in Good Governance

In this study, eight characteristics have been indirectly measured. Each factor includes different number of items and each item is measured on five-point Likert scales. As shown in Table (5.1), Transparency scale includes seven items, Participation scale has eight items, Accountability scale has nine items, Consensus Oriented scale includes seven items, Responsiveness scale has seven items, Equitable and Inclusive scale has eight items, Rule of Law includes eight items and Effectiveness and Efficiency scale also includes eleven items respectively.

5.4.1 Transparency

Transparency means the decision taken and their enforcements are done in a manner that follows rules and regulations so that the following items were developed to measure the transparency in each Ministry.

Table (5.8) Mean Score for Transparency

Transparency	MNPED	MOH	MOE	MOHA	MOEP
Does the Ministry have a separate information unit?	3.8	3.2	3.9	4.0	3.6
Does the Ministry usually reveal its future plan to the staff?	3.7	3.2	3.6	3.3	2.9
Does the Ministry usually report detailed cash flows?	3.4	2.8	3.1	3.2	3.3
Do responsible persons in this Ministry hold press conference?	3.9	3.3	3.6	3.9	3.4
Are sources of information prepared by this Ministry to be easily accessible from each and every department?	3.7	3.3	3.7	3.9	3.0
Do the staffs in this Ministry have an opportunity to report their functional and personal difficulties freely and frankly?	3.5	3.2	3.4	4.1	3.1
Do the leaders in the Ministry make meeting and delivering speech to their subordinates?	4.3	3.6	3.7	4.5	3.8
Mean Score for Transparency	3.8	3.2	3.6	3.8	3.3

Source: Survey data

The results in Table (5.8) shows the mean values of transparency about a separate information unit, its future plan, reporting, press conference, accessibility of sources of information, an opportunity to report employee's difficulties and marking meeting and delivering. For each question the minimum mean score is '1' and maximum mean score is '5'.

According to mean values of transparency of the Ministry of National Planning and Economic Development (MNPED), at making meeting and delivering speech has the highest score 4.3. The items such as a separate information unit, future plan to the staff, holding press conference and accessibility for source of information have a score of

nearly 4. All items of transparency are more than 2.5 and this practice score on all transparency items is 3.8. Thus, the Ministry has transparency concern with its activities.

Although the Ministry of Health (MOH) has also the highest score 3.6 on leaders making meeting and delivering speech to their subordinates, it has low score on reporting of detailed cash flows is 2.8. All items of transparency are more than 2.5 and this practice score on all transparency items is 3.2. Mean score of the Ministry of Education (MOE) presents that the ministry's separate information unit has highest score of 3.9 and mean score for other items are also more than 3 and the mean score for transparency is 3.6.

According to Table (5.8), the Ministry of Home Affairs (MOHA) has a high mean score for transparency as more than 3 for all items and for some more than 4. The mean score for MOHA is 3.8. For the Ministry of Electric Power (MOEP), the highest mean score is 3.8 for leaders making meeting and delivering speech to their subordinates and lowest score is 2.9 for revealing its future plan to the staff. The mean score of transparency for MOEP is 3.3. In the study of five ministries, for transparency, the mean score is mostly more than 3.

As shown in Table (5.8), among five ministries which were studied the MNPED and the Ministry of Home Affairs have the high mean score 3.8 and ministry of Health has the lowest score. According to survey, respondents from MOH answered that they felt that it is very weak to report detailed cash flows within the ministry.

5.4.2 Participation

Participation by both male and female is a key element of good governance. It enhances capacity and skills of staff and sustainable policies supported by institutions of public administration. Regarding participation, respondents responded to the items which basically measure whether employees got opportunities to participate in verities of the Ministry's activities. Table 5.9 shows the individual mean scores of the ten items of participation.

Table (5.9) Mean Score for Participation

Participation	MNPED	MOH	MOE	MOHA	MOEP
Do staffs have an opportunity to participate in development of rules, regulations, policy, procedure and principles?	3.7	3.3	3.6	4.4	3.5
Does each and every staff have an opportunity to access to the public information freely?	3.9	3.6	3.8	4.3	3.7
Does each and every staff have an opportunity to access from the public information freely?	3.6	3.5	3.4	4.1	3.2
Do staffs have an opportunity to take part either directly or indirectly in making decision about the punishment for the convicted candidate in this Ministry?	2.0	2.6	2.2	2.8	2.4
Is there gender discrimination among staff in this Ministry?	2.5	2.4	2.3	2.6	3.0
Is there an opportunity to establish Non-political associations/ Unions freely in the Ministry?	1.8	1.9	1.7	2.0	2.0
Do the staffs have an opportunity to take part in election of the president of the organizations?	2.0	2.2	2.0	2.0	2.2
Do staffs have an opportunity to take part in election as the president of the organizations?	1.9	2.2	1.7	1.9	2.1
Do staffs have an opportunity to ask for verbally for their rights and complaints through the organizations?	3.1	2.5	2.5	2.5	2.9
Are there any ceremonies and activities which were held for staff to be involved actively?	3.9	3.3	3.9	4.1	3.7
Mean Score for participation	2.8	2.8	2.7	3.1	2.9

Source: Survey data

According to Table (5.9), it is found that the MNPED has the mean scores of five items among ten items are more than the cut-off value of 2.5 and the highest mean score is 3.9 in the items where staffs have an opportunity to access to the public information

freely and where there are any ceremonies and activities which were held for staff to be involved actively. Mean score is lower than cut-off value can be seen in four items. These items are an opportunity for making decision about the punishment for the convicted candidate, an opportunity to establish non-political associations, an opportunity to take part in election of the president and as the president of the organizations and an opportunity to ask for verbally for their rights and complaints through the organization.

The Ministry of Health also has the mean scores of five items among ten items which are more than the cut-off value of 2.5 and the highest mean score is 3.6 in which every staff has an opportunity to access the public information freely. The lowest mean score is only 1.9 in the item which is to establish nonpolitical association freely in the ministry.

The Ministry of Education has the mean score of six items among ten items which are lower than the cut-off value of 2.5. These items are an opportunity for making decision about the punishment for the convicted candidate, gender discrimination among staff, an opportunity to establish non-political associations, an opportunity to take part in election of the president and as the president of the organizations and an opportunity to ask for verbally for their rights and complaints through the organization. Every staff has an opportunity to be involved in every ceremony and activities held for staff as this item has the highest mean score of 3.9.

The Ministry of Home Affairs has the mean scores of six items among ten items which are more than the cut-off value of 2.5 and the highest mean score is 4.4 in which staffs have an opportunity to participate in development of rules, regulation, policy, procedures and principles item. The second highest score is 4.3 in an opportunity to access the public information freely. The lowest mean score is 1.7 in the item of an opportunity to establish non-political associations and an opportunity to take part in election of the president.

The Ministry of Electric Power also has the mean scores of six items among ten items which are more than the cut-off value of 2.5 and the highest mean score is 3.7 in which every staff has an opportunity to access the public information freely and an opportunity to be involved in every ceremony and activities held for the staff. The lowest

mean score is only 2.0 in the item to establish nonpolitical association freely in the ministry.

Table (5.9) shows that the Ministry of Home Affairs has a high mean score of more than 3.0 for participation while the other ministries have the mean score of below 3.0 but more than the cut-off values of 2.5. Among the five ministries in the study, the Ministry of Home Affairs has the highest mean score and the second is the Ministry of Electric Power. Because the MOHA is an army-based ministry, most activities are participated by all staff so the score is more than the other ministries.

5.4.3 Accountability

Accountability is a key requirement of good governance as it refers to the obligation to those in power to account to those on whose behalf they exercise such authority for the discharge of the responsibility entrusted to them. It rests on the establishment of criteria for evaluating the performance of public institutions. Mean score of accountability in five ministries are shown in Table (5.10).

Table (5.10) Mean Score for Accountability

Accountability	MNPED	MOH	MOE	MOHA	MOEP
Are there performance measurement and appraisal system for all staffs in the Ministry?	3.7	2.8	3.7	4.2	3.5
Are there performance measurement and appraisal system for staff by auditing group in the Ministry?	3.8	2.9	3.6	4.3	4.0
Is there reporting system after finishing task?	4.4	4.0	4.1	4.7	4.1
Does Internal Auditor examine the annual official budget and outcome?	4.4	3.6	4.0	4.2	4.1
Does External Auditor examine the annual official budget and outcome?	4.2	3.3	4.1	3.9	4.4
Is a decision for current/ capital expenditure at the Ministry made by group of staff?	2.7	2.4	2.7	2.7	3.3
Are there letter reporting cases of misconduct or anonymous letter bearing a complaint concerning with taking bribe in Ministry?	2.4	2.5	3.0	3.8	3.7
In case of taking bribe from staff is an official inquiry hold into it?	3.3	3.2	3.4	4.3	3.6

Are there any crime of taking and giving bribe in the Ministry?	1.9	2.1	2.3	3.3	3.4
Mean Score for Accountability	3.4	3.0	3.4	3.9	3.8

Source: Survey data

According to the mean values of accountability for the Ministry of National Planning and Economic Development, there are two items such as reporting system after finishing task and internal auditor examining the annual official budget and outcome have the highest score of 4.4. Moreover, the higher mean score in external auditor examining the annual budget and outcome is 4.2 so that the ministry has good practice in budget and outcomes examined by internal and external auditors. However, for any crime of taking and giving bribe in the ministry, most of the respondents answered as they did not know, so the mean score is low with only 1.9.

The Ministry of Health has the mean scores of six items among nine items being more than the cut-off value of 2.5 and the highest mean score is 4.0 in which there is a reporting system after finishing task. The lowest mean score is 2.1 for the item of any crime from taking and giving bribe in the ministry.

The Ministry of Education has more than the cut-off values in all items except for any crime of taking and giving bribe in the ministry item. It was seen that ministry has good practices in accountability.

The mean scores for items in both the Ministry of Home Affairs and the Ministry of Electric Power are above the cut-off values. It means that these ministries can manage for report back after finishing task, internal and external auditors checking the budget and outcomes, etc. Thus, it is seen that these ministries have good practices in accountability.

Among the five ministries that were studied, the Ministry of Home Affairs has highest mean score and second is the Ministry of Electric Power. Because of the MOHA is an army-based ministry and some of the officers are retired from different military services and their practices are very accountable. Therefore, the score is more than the other ministries.

5.4.4 Consensus Oriented

Good governance requires mediation of different interests in a society to reach a broad consensus in society such that, in what is the best interest of the whole community and how it can be achieved. Therefore, the questionnaires were set for consensus oriented which includes: there is departmental collaboration and coordination with each other in the ministry, there are coordination inter-departmentally, coordination within hierarchical structure, etc. All of the five ministries which were studied have high mean scores for all questions. Table (5.11) shows the mean scores of five ministries.

Table (5.11) Mean Score for Consensus Oriented

Consensus Oriented	MNPEP	MOH	MOE	MOHA	MOEP
Does ministerial administration and coordination meeting held regularly in your Ministry?	4.2	3.7	4.1	4.5	4.3
Is there departmental collaboration and coordination with each other in this Ministry?	3.9	3.4	4.4	4.5	4.4
Is there any coordination intra-departmentally?	4.1	3.7	4.5	4.2	4.4
Is there any coordination in department by hierarchical structure?	4.3	3.6	4.2	4.4	4.0
Is there any interdepartmental coordination regularly?	4.0	3.5	4.3	4.6	3.7
Is there collaborations with other ministries?	4.3	3.8	4.1	4.4	3.8
Is there communication network between officers and other ranks?	4.3	3.5	4.4	4.3	4.0
Are there collaborations with non-government organizations in the ministry?	4.9	3.5	4.5	3.9	3.6
Mean Score for Consensus Oriented	4.3	3.6	4.3	4.4	4.0

Source: Survey data

As shown in Table, all the ministries have mean scores of more than the cut-off values and therefore it can be seen that the respondents agree that their ministries are in good condition for consensus oriented item. In the ministries, there are not only

coordination and cooperation within ministries, and inter-departmental and intra-departmental coordination but also there are collaborations with NGOs.

All ministries have mean scores of more than the cut-off values and therefore as shown in Figure all ministries have nearly the same level of mean score except in the Ministry of Health.

5.4.5 Responsiveness

There are seven items to measure responsiveness in this part. Most of these items consisted of about rules, regulations and principles to evaluate the responsiveness of an organization. The results of the five ministries are shown in Table (5.12).

Table (5.12) Mean Score for Responsiveness

Responsiveness	MNPED	MOH	MOE	MOHA	MOEP
Are rules and regulations which are proclaimed still sustainable?	3.6	3.4	3.4	3.8	3.8
Are requirements and problems of the staff assessed, before proclaiming the rules and regulations?	3.3	2.7	2.9	3.7	2.9
Is there any reevaluation on perception, attitude and emotion of staffs on this rules and regulation?	3.2	2.9	2.8	3.8	2.7
Are attitude and visions of other outside organizations connected with the Ministry?	3.6	2.9	3.0	3.2	2.9
Are facts and information collected from outside departments and associations related to the ministry applied for the future development?	3.9	3.3	3.8	3.5	3.2
Are the rules and regulations of the Ministry flexible with the changing world?	3.6	3.2	3.3	3.7	3.1
If the orders, principles and laws are changed, are timely informing and reporting done?	4.0	3.4	3.8	4.2	3.3
Mean Score for Responsiveness	3.6	3.1	3.3	3.7	3.1

Source: Survey data

As shown in Table, all the ministries have mean scores are more than the cut-off values and therefore it can be seen that the respondents agreed that their ministries have are in good condition for responsiveness. In the ministries, there are not only coordination and cooperation within ministries, inter-departmental and intra-departmental coordination but also has collaborations with NGOs.

According to Table (5.12), it is found that MNPED and MOHA have good mean scores in all the items but the remaining three ministries are not strong enough in the items such as requirements and problems of the staff assessed before proclaiming the rules and regulations, any reevaluation on perception, attitude and emotion of staffs on this rules and regulations, and attitude and visions of other outside organizations connected with the respective ministry.

5.4.6 Equitable 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 main stream of society. There are eight items to measure equitable and inclusiveness and most of these items consisted about the rights of staff such as supporting programs for the poor, for low income groups, special agencies for low income groups, etc. Table (5.13) shows the respondents answers for their respective ministries.

Table (5.13) Mean Score for Equitable and Inclusiveness

Equitable and Inclusiveness	MNPED	MOH	MOE	MOHA	MOEP
Are there special supporting programs for poor staffs in this Ministry?	3.0	2.4	2.5	3.4	2.3
Do responsible persons regularly find out if there is poverty, financial crisis or not among the staff and students and make the list?	2.0	2.0	2.1	2.4	1.9
Are desires and opinions of others assessed when drawing programs and plan for low income families?	2.0	2.0	2.2	2.5	2.0
Are there special social agencies to support the low	2.2	1.9	2.1	2.1	2.0

income staffs?					
Are the special funds kept to eliminate the poverty?	2.1	1.8	1.8	1.9	2.0
Are there any agencies to solve the cultural issues?	1.9	1.9	2.0	2.2	2.1
Are there collaborations with outside agencies to eliminate the poverty?	2.2	2.2	2.0	2.3	2.2
Are there any collaboration with outside agencies to support the needed staffs?	2.1	1.9	2.0	2.1	2.2
Mean Score for Equitable and Inclusiveness	2.2	2.0	2.1	2.4	2.1

Source: Survey data

Table (5.13) shows that the mean score of equitable and inclusiveness and all ministries can be seen as with a low score. As for government staff, the level of wage rate is lower than the staff of other NGOs and private companies and so the respondents stated that they feel their responsibilities and their rights are not equitable and they got little of the supporting programs and supporting social agencies. Moreover, there is very little collaboration with outside agencies to support the needed staff and to eliminate poverty.

Among the eight characteristics, this equitable and inclusiveness characteristic has a lower mean score at the cut off value. The respondents stated that they feel not equitable and that they did not have supporting programs to supplement their income and so the mean score is very low. However, like as responsiveness, in equitable and inclusiveness, the Ministry of Home Affairs has the highest mean score among studied ministries. The second highest is in the Ministry of National Planning and Economic Development followed by the Ministry of Education and Electric Power at 2.1.

5.4.7 Rule of Law

Rule of law measures the extent to which agents have confidence in and abide by the rules of society, particularly the quality of contract enforcement, the police and the courts, as well as the likelihood of crime and violence. In this part, there are 8 items to measure the rule of law in each ministry.

Table (5.14) Mean Score for Rule of Law

Rule of Law	MNPED	MOH	MOE	MOHA	MOEP
Are the Ministry rule and regulations modified and revised with the present time after staffs reevaluated them?	3.6	3.3	3.1	4.2	2.7
When breaking rules, effective actions are processed in your Ministry?	4.0	3.5	3.6	4.4	3.4
Are the people explained about standing laws to follow it?	4.2	3.8	4.0	4.7	3.8
Are principles and traditions implemented effectively to get benefit?	3.7	3.5	3.5	4.0	3.4
Do staffs follow the job instructions?	4.7	4.2	4.5	4.8	4.0
Are there systematic recording systems concerned with criminals and arresting cases in relationship with the public?	3.6	3.8	3.7	4.7	4.0
Are national customs and law kept respect?	4.8	4.0	4.2	4.8	4.1
Are there laws and sections of an Act regarding expenditure of finance in the Ministry?	3.9	3.0	3.6	3.4	3.5
Mean Score for Rule of Law	4.1	3.6	3.8	4.4	3.6

Source: Survey data

According to Table (5.14), the mean score for rule of law of all ministries are above the cut off value of 2.5. Because Myanmar was transformed from centralized government system to the democratic system, all ministries are still under control by rules and staff follows job instructions, the standing laws and kept national customs and laws.

The respondents from MNPED stated that the staff obliged the rules, job instructions, so the mean score is very high at 4.8 and 4.7. The MOHA has a high mean score in staffs following the job instructions, keeping respect on national customs and law, the senior staff explaining to junior staff about standing laws to follow and even there are also systematic recording systems concerned with criminals and arresting cases in relationship with the public. Other ministries also have higher mean scores in the rule of law than other characteristics.

Among five ministries that were studied, the Ministry of Home Affairs has the highest mean score and the second highest is the Ministry of National Planning and Economic Development. Because the government practiced rule-based and national customs, all ministries have high scores above 3.

5.4.8 Effectiveness and Efficiency

It is also an item of correctly prioritizing government services to correspond with citizens' needs. It includes 12 items to measure effectiveness and efficiency in each ministry such as whether the anticipated targets are reached or not, decisive reevaluation are done or not, then, whether there are reward and punishment systems, and whether job descriptions are kept for staff, etc.

Table (5.15) Mean Score for Effectiveness and Efficiency

Effectiveness and Efficiency	MNPPED	MOH	MOE	MOHA	MOEP
Do successes and results specifically measure whether the anticipated targets are reached or not?	3.8	3.5	3.6	4.0	3.3
Unless the defined mission is successful, are decisive reevaluation done?	3.7	3.4	3.5	3.9	3.2
Are job descriptions kept for staff?	4.7	4.0	4.4	4.9	4.1
Are special plans kept to improve the Ministry?	3.4	3.0	3.1	2.7	2.9

Is the extent of delegation of responsibility explained to the delegated person?	4.0	3.6	3.7	4.4	3.4
Are specified duties and responsibilities compatible with actually laid down?	3.4	3.2	3.6	4.1	3.2
Is there any reward system for qualified and hardworking staffs?	3.2	2.4	2.2	3.0	2.5
Is there adequate monetary supply for the specified duties and responsibilities?	2.6	2.6	2.5	2.8	2.5
Are required continuous training courses used to provide so that the staffs are skillful in their work?	4.3	4.0	3.7	4.6	4.2
Do responsible higher authorities assess the activities of the Ministry occasionally or periodically?	3.6	3.5	3.5	4.2	3.4
Is there any punishment system for disqualified and undutiful staffs?	3.1	3.0	2.8	4.2	3.4
In line with actual described budget, are services used to provide?	3.0	2.8	2.9	3.7	2.7
Mean Score for Effectiveness and Efficiency	3.6	3.3	3.3	3.9	3.3

Source: survey data

According to mean values of effectiveness and efficiency for the Ministry of National Planning and Economic Development (MNPED), job descriptions kept for staff has the highest score of 4.7. The second highest mean score is 4.3 in required continuous training courses used to provide for staff such that the staffs are skillful in their work and for other items, mean scores are above the cut off value. The mean value of effectiveness and efficiency for this ministry is 3.6 which mean that the practices in this ministry have a favorable position in this item.

For the Ministry of Health (MOH), the mean score is above the cut off value in all items except the item of if there is any reward system for qualified and hardworking staffs. According to the respondents from MOH it is found that the ministry's mean score is only 2.4 and this states that it is very weak in rewarding outstanding staff.

The Ministry of Education (MOE) has mean scores above the cut off value in all items except any reward system for qualified and hardworking staffs where their mean score is only 2.2. The MOE also is very weak in rewarding outstanding staff (mean score is 2.2)

According to Table (5.15), the Ministry of National Planning and Economic Development (MNPED) and the Ministry of Home Affairs (MOHA) have high mean scores for effectiveness and efficiency as they are more than the cut off value of 2.5.

Therefore, the MOHA has the highest mean score among the studied ministries and the MNPED has the second highest mean score.

5.5 Good Governance Practices by Ministries

According to the eight characteristics of good governance, it can be summarized by the perception of their staff on the items relating to these eight characteristics. Ideally, the study setting should get very good governing practice, because of its organizational nature and as each ministry itself has a goal directed, government setting.

Moreover, Myanmar is a developing country which has been trying to initiate the democratic society and development programs for poverty reduction and is still at the infancy stage even at the national level. Reaching to the good governance requires developing all components.

Table 5.16 shows eight characteristics of good governance practices in total mean scores are shown in the following figures, from Figure (5.1) to Figure (5.5) by octagons (8-dimension diagrams) for the respective ministries in the study.

According to the following Table (5.16), the condition of each characteristic for the five ministries can be explained. This means the strength and weakness of each characteristic in the five ministries can be observed and see what is the main reason why this situation existed. In this, according to the items used in measuring the eight characteristics as shown in Table (5.8) to Table (5.15), the different mean values of each characteristic can explain the strength and weakness of these mean scores.

Table (5.16) Mean Scores for Eight Characteristics by Respective Ministries

Particular	MNPED	MOH	MOE	MOHA	MOEP
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Transparency	3.8	3.2	3.6	3.8	3.3
Participation	2.8	2.8	2.7	3.1	2.9
Accountability	3.4	3.0	3.4	3.9	3.8
Consensus Oriented	4.3	3.6	4.3	4.4	4.0
Responsiveness	3.6	3.1	3.3	3.7	3.1
Equitable and inclusiveness	2.2	2.0	2.1	2.4	2.1
Rule of law	4.1	3.6	3.8	4.4	3.6
Effectiveness and efficiency	3.6	3.3	3.3	3.9	3.3

Source: Survey data

For transparency, all the five ministries' mean scores are above the cut off value of 2.5, however, the strongest score lies in the MNPED and MOHA followed by MOE and then by MOH and MOEP. Though all mean scores for all ministries are good as mentioned, the MOH has, according to Table (5.8), it has a low score on reporting of detailed cash flows which is 2.8, whereas for MOEP, it has a low score of 2.9 in revealing its future plan to the staff. These are the factors that led to a lower mean score than the other three ministries.

Participation states a weaker condition in mean scores for all ministries as compared to mean scores of transparency. That is, only the MOHA has a mean score of 3.1 which shows a good situation but not as strong as required. However, this ministry has score values of over 4.0 in four items and only three items that do not reach the cut off value. But for the other four ministries, the numbers of items that do not reach the cut off values are four items for MNPED, MOH, and MOEP, and finally, five items for MOE. It is shown in Table (5.9)

Accountability also shows a favorable status with all ministries having a mean score higher than three with the strongest position in MOHA with 3.9 followed by MOEP. The numbers of weak items (not meeting the cut off value) are found as two items in MNPED, MOH, and MOE where one common item is, if there is any crime of taking and giving bribe in the Ministry as shown in Table (5.10).

According to Table (5.11), Consensus oriented is one characteristic where the mean scores are in a quite strong position. All the scores are above 4.0 for four ministries which

are MNPED, MOE, MOHA and MOEP resulting from score values in all items are above 4.0. Only MOH has a score of 3.6 which is less than 4.0 and this is also because all score values are above 3.0.

Then, a similar condition is seen in the characteristic of responsiveness where all mean scores are above 3.0, but the score values for each item of measure varies in these ministries. It is found that there are values that are less than 3.0, such as three items in MOH and MOEP, and two items in MOE. It is shown in Table (5.12)

For equitable and inclusiveness, it is found as this characteristic being the weakest characteristic because all ministries have mean scores a little over 2.0 and not meeting the required cut off value. This is because only MOHA has two items having score values of 3.4 in having special supporting programs for poor staffs in this Ministry and 2.5 in desires and opinions of others assessed when drawing programs and plan for low income families. In Table (5.13), for MNPED and MOE, each scoring 3.0 in only one item and that is having special supporting programs for poor staffs in this Ministry.

According to Table (5.14), rule of law in the five ministries has a strong position with mean scores above 3.5. In measuring the rule of law, eight items of measures are used and the score values are between 3.0 and 4.8. Only MOEP has a lower score value in the item of whether the Ministry rules and regulations modified and revised with the present time after staffs reevaluated them.

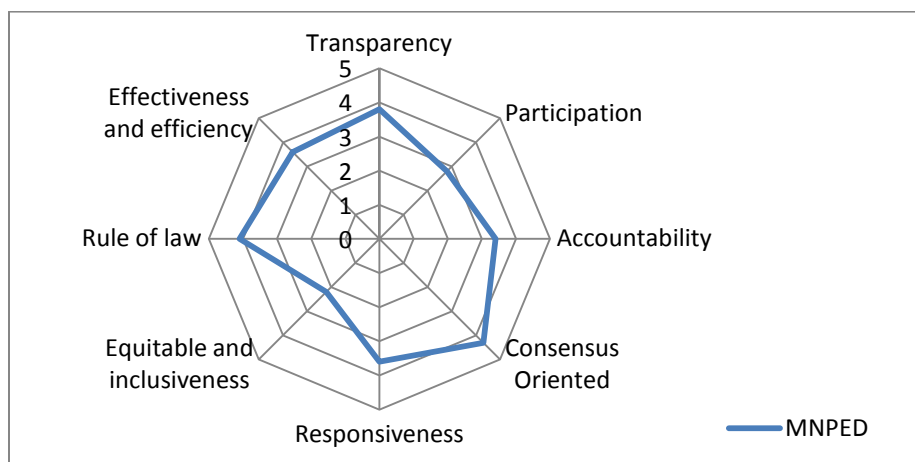
Effectiveness and efficiency in all ministries shows a strong position in MNPED and MOHA with having mean scores of 3.6 and 3.9 respectively. MNPED has a low score value of less than 3.0 in if there is adequate monetary supply for the specified duties and responsibilities and this item also has the same low score values in the other four ministries too. MOHA has another weak point in the score value for the item of if there are special plans kept to improve the Ministry. For the remaining three ministries, MOH and MOE has an item of measure that is less than the cut off value for score values and this item is if there is any reward system for qualified and hardworking staffs. So, overall, Table (5.15) shows that this characteristic can be seen a favorable situation for all ministries.

In the following section, these eight characteristics are all explained in figures for each ministry.

5.5.1 The Ministry of National Planning and Economic Development (MNPED)

For the governance practices of MNPED are disproportionate as shown in Figure (5.1), implying that all characteristics are of different levels in governance practices.

Figure (5.1) Governance Practices of the MNPED



Source: Table 5.16

In this ministry, two characteristics, equitable and inclusiveness has a mean score of 2.2 which is lower than the cut off value of 2.5 and participation is above the cut off value but only at 2.8.

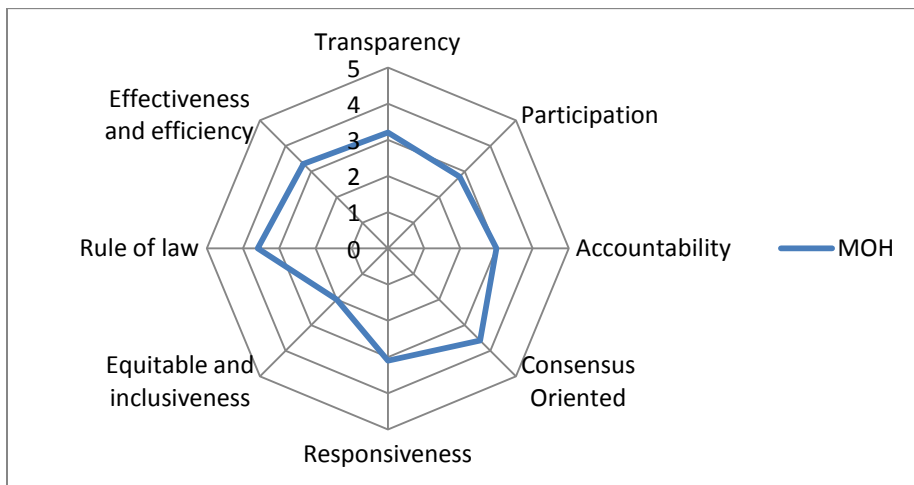
Participation has weaknesses in the opportunities of the staff to participate in the ministry's election of president or as president of an organization, to establish non-political associations/ unions freely in the Ministry. Equitable and inclusiveness is also not favorable because of lack of support for the low income staff as there are not arrangements to provide either in terms of monetary support or in terms of subsidies in kind and the low income staff are relying only on their monthly income.

For the remaining characteristics, all practices are in good condition as measures in the score values showed strong results. The strongest characteristic is consensus oriented 4.3 followed by the rule of law with 4.1. It is found that this ministry has good practices in consensus oriented and the rule of law as their mean scores are more than 4. Therefore, overall, the MNPED can be taken as being quite favorable in its good governance practices.

5.5.2 The Ministry of Health

Figure (5.2) shows the governance practices of MOH. In this ministry, governance practices are weaker than the MNPED as shown in Figure.

Figure (5.2) Governance Practices of the MOH



Source: Table 5.16

Among the studied ministries, the MOH has mean scores above (3) in every characteristic except in participation with 2.8 and equitable and inclusiveness with 2.0. Other characteristics are more than cut off values between 3 and 3.6 which are not more than 4. MOH also has weaknesses in the opportunities of the staff to participate in the ministry's election of president or as president of an organization, to establish non-political associations/ unions freely in the Ministry and also for the staff to ask for their rights and complaints verbally. Similar to MNPED, equitable and inclusiveness is also not favorable because of lack of support for the low income staff as there are not

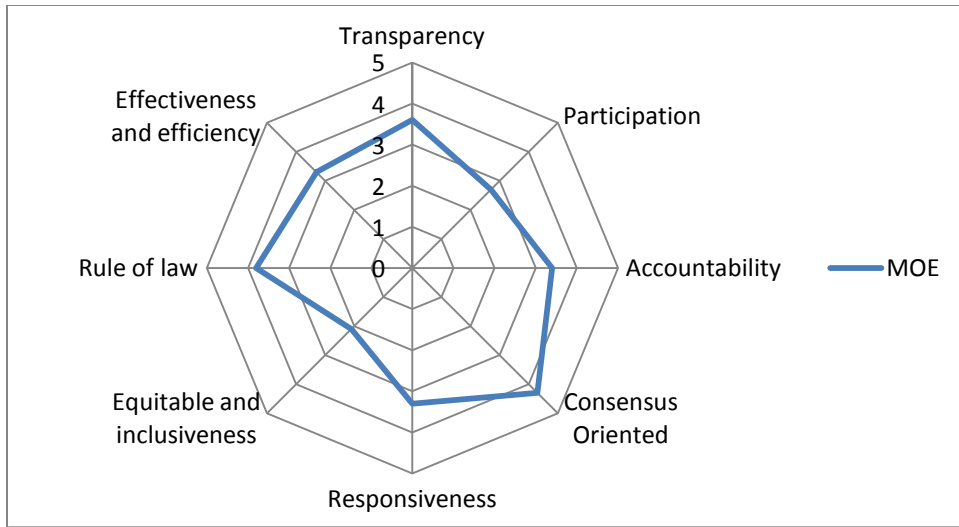
arrangements to provide either in terms of monetary support or in terms of subsidies in kind and the low income staff are relying only on their monthly income. MOH is weak in all the value scores of the eight items in equitable and inclusiveness. However, the MOH can be taken as favorable in 6 characteristics but overall; it is as much as good as MNPED.

Figure (5.2) shows that the governance practices of MOH are disproportionately appeared. In this ministry, Rule of law and consensus oriented are the highest mean score.

5.5.3 The Ministry of Education

In the Ministry of Education, all characteristics except equitable and inclusiveness characteristics are above the cut off value. The characteristics that are less favorable include equitable and inclusiveness (mean score, 2.1) and participation, having only a little more than the cut off value of 2.5. In MOE, all the eight items of measure for value scores are weak with only one meeting the cut off value which is, if there are any special supporting programs for poor staffs in this Ministry. Other mean scores are between 3.3 and 4.3, with the rule of law and consensus oriented having mean scores of 3.8 and 4.3 respectively. Figure (5.3) shows the Governance Practices of the MOE.

Figure (5.3) Governance Practices of the MOE

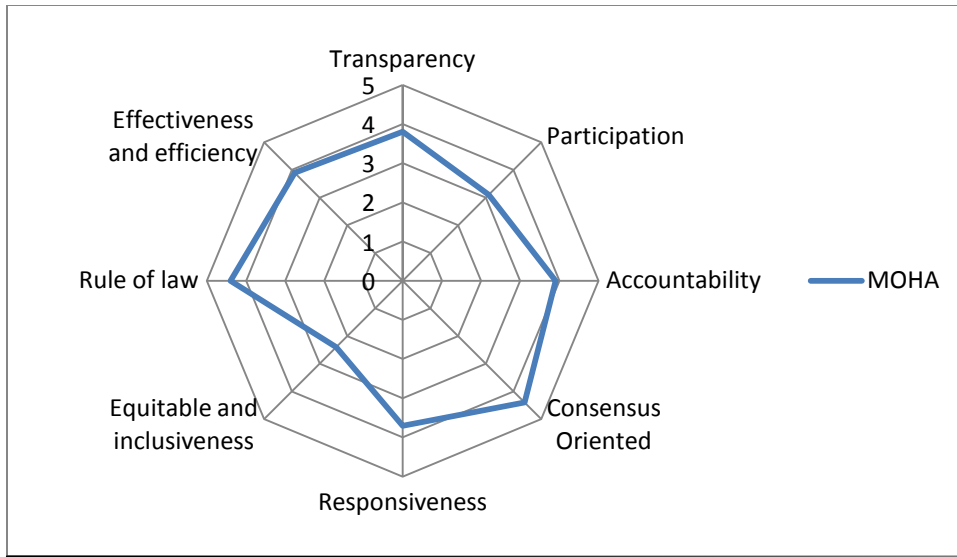


Source: Table 5.16

5.5.4 The Ministry of Home Affairs

For the Ministry of Home Affairs, similar conditions are seen as equitable and inclusiveness being the weakest characteristic having a mean score of 2.4, not reaching the cut off value of 2.5. This can be seen that only two items is better than the other items of measure and their condition are similar to those of other ministries. Then, participation scores 3.1 which is the least score after equitable and inclusiveness. However, in terms of overall scores, this ministry is the most efficient in good governance practices in the study of five ministries. In Figure (5.4), the conditions of the MOHA are shown where it can be seen as the remaining characteristics have scores between 3.9 and 4.4.

Figure (5.4) Governance Practices of the MOHA

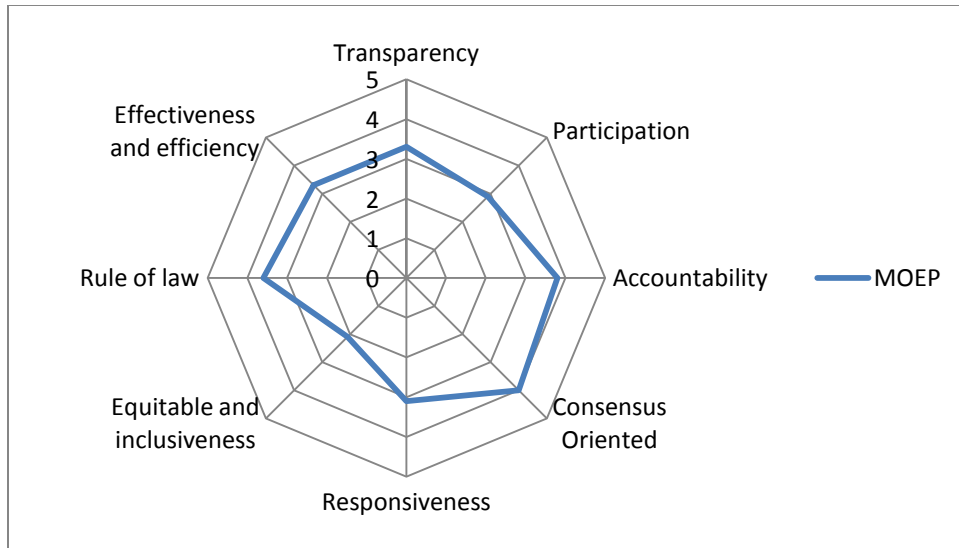


Source: Table 5.16

5.5.4 The Ministry of Electric Power

Figure (5.5) illustrates the governance practices of the Ministry of Electric Power. Similar conditions are seen as equitable and inclusiveness being the weakest characteristic having a mean score of 2.1 not reaching the cut off value of 2.5. It is similar to that of MOH, having similar score values less than 2.5 which resulted in a mean score of 2.1 as mentioned. Then, participation scores 2.9 which is the least score after equitable and inclusiveness. However, in terms of overall scores, this ministry is favorable in good governance practices in the study of five ministries. In Figure (5.5), the conditions of the MOEP are shown where it can be seen as the remaining characteristics have scores between 3.1 and 4.0. The highest mean score of 4.0 being in consensus oriented.

Figure (5.5) Governance Practices of the MOEP



Source: Table 5.17

In this study, the most similar conditions are seen in all five ministries are that they all have weakness in the characteristics of participation and equitable and inclusiveness. The total mean scores for participation can be seen as not more than 3 in MNPED, MOH, and MOE but with 3.1 in the MOHA and MOEP. Then, for equitable and inclusiveness, only in MNPED and MOHA have a score a little more than 2 not even reaching the cut off value. The remaining three ministries' scores are a little over 2 with 2.0, and 2.1. This situation illustrates that the government has similar status in the ministries with weak governance practices.

CHAPTER VI

CONCLUSION

Good governance is an essential factor to the success of any endeavour, whether in the public sector or non-governmental sectors. The presence of good governance practices clarifies authority, simplifies decision-making, and ensures people and organizations are accountable for their actions and decisions. The context of governance and its processes during the past two decades have become significant and important denominators of efficiency in the dynamics of nation states and in the management of public and international affairs.

Governance is not just about how a government and social organizations interact, and how they relate to citizens, but it concerns the State's ability to serve citizens and other actors, as well as the manner in which public functions are carried out, public resources are managed and public regulatory powers are exercised.

Good governance at local levels denotes quality, effectiveness, and efficiency of local administration and public service delivery; the quality of local public policy and decision-making procedures, their inclusiveness, their transparency, and their accountability; and their manner in which power and authority are exercised at the local level. Therefore, assessing not only the aggregate nationwide governance, but also local governing practices of institutions, civil societies, and the public are quite important in economic development of the countries.

Myanmar is now moving forward to build modern developed and democratic nation, the step of the road map, under the guidance of the new union government (2011 to 2016). The most important task of this new administration is to work together to create good governance and clean government. To do so, the government must be transparent, accountable and consistent with the existing laws. In this context, governance includes process by which those in authority are selected, monitored and replaced, the capacity of the government to effectively manage its resources and implement sound policies, and

the respect of the citizens and the state for the institutions that govern economic and social interaction among them.

A survey is conducted in selected ministries of Myanmar Government (2011-2016) to make an analysis on governance practices through eight dimensions. These dimensions include transparency, participation, accountability, consensus oriented, responsiveness, equitable and inclusiveness, rule of law and effectiveness and efficiency.

Out of total of (36) ministries, (5) are selected and they are National Planning and Economic Development, Health, Education, Home Affairs, and Electric Power. The total sample size for this study is (405) respondents from five ministries. The respondents are officials ranking between director and staff officer levels selected from the five ministries using purposive sampling method.

The demographic characteristics show that most of the respondents of MNPED are found to be between 31 and 50 years of age making up a total of 53 respondents (70.6 percent of the total respondents). For MOH, the majority is between age 21 and 30 years making up 26 respondents (31.7 percent) and for MOE, 37 respondents (44.7 percent of the total respondents) are found to be between 51 and 60 years of age. Then, in MOHA, the majority of the respondents are in the age group of 31 and 40 years with 33 respondents or 36.7 percent of the total. Finally, in MOEP, 38 of the total respondents are found to be between 31 and 40 years (53.5 percent of the total). According to this, it is found that the majority of the respondents in all ministries except the MOH are of between 31 and 60 years and which can be assumed that they have more experience to produce information on the respective ministry.

For the educational status, most of the respondents in all ministries are Bachelor degree holders (303 respondents, 74.81 percent) and the rest are Master degree holders, 102 respondents (25.19 percent). Then, the number of directors, deputy directors, and assistant directors included in the study are seen as the highest in MOHA with all 90 respondents, and of these, only (9) persons have over 31 years of service. It is then followed by 46 respondents from MOE, 42 from MNPED, 38 from MOEP, and 33 from MOH.

When respondents are asked about the knowledge on the ministry concerned and how information is delivered at present, the responses for the five ministries show that over 80 percent of the respondents in every ministry stated that they have perfect knowledge on their ministry concerned. They also responded as their respective ministry having a separate Information Department. Moreover, even for the information system, they responded that they have different types of delivery system.

In the second part, a study is made on different good governance characteristics such as transparency, participation, accountability, consensus oriented, responsiveness, equitable and inclusiveness, rule of law, and effectiveness and efficiency by finding out the mean values. It is found that for MNPED, All items of transparency are more than the cut off value of 2.5 and this practice score on all transparency items is 3.8 such that this ministry can be stated as having transparency concern with its activities. Then, for MOE, the mean score for transparency is 3.6 which like MNPED, is having transparency concern with its activities. MOHA has a high mean score for transparency as more than 3 for all items and for some more than 4 and the mean score for MOHA is 3.8. In MOH, all items of transparency are more than 2.5 and this practice score on all transparency items is 3.2, and finally, the mean score of transparency for MOEP is 3.3. So, it can be seen that although the mean score of transparency for MOH and MOEP over 3, they are weaker in having transparency concern with their activities as compared to the other three ministries.

Participation by both male and female is a key element of good governance. It enhances capacity and skills of staff and sustainable policies supported by institutions of public administration. From the study, it is found that in the MNPED has a mean scores on five items among ten items are more than the cut-off value of 2.5 and the highest mean score of 3.9 in the items where staffs have an opportunity to access to the public information freely and where there are any ceremonies and activities which were held for staff to be involved actively. The Ministry of Health has mean scores of five items which are more than the cut-off value of 2.5 and the highest mean score is 3.6 in which every staff has an opportunity to access the public information freely. The Ministry of Education also has the mean score of six items above the cut-off value of 2 and the highest mean score of 3.9 is in the item where every staff has an opportunity to be

involved in every ceremony and activities held for staff. The Ministry of Home Affairs has the mean scores of six items and the highest mean score is 4.4 in which staffs have an opportunity to participate in development of rules, regulation, policy, procedures and principles item. The Ministry of Electric Power also has the mean scores of six items and the highest mean score is 3.7 in which every staff has an opportunity to access the public information freely and an opportunity to be involved in every ceremony and activities held for the staff.

For accountability, the mean values of accountability for MNPED, in two items such as reporting system after finishing task and internal auditor examining the annual official budget and outcome have the highest score of 4.4 so that the ministry has good practice in budget and outcomes examined by internal and external auditors. The MOH has mean scores of six items being more than the cut-off value of 2.5 and the highest mean score is 4.0 in which there is a reporting system after finishing task. The lowest mean score is 2.1 for the item of any crime from taking and giving bribe in the ministry. The MOE has more than the cut-off values in all items except for any crime of taking and giving bribe in the ministry item. It was seen that ministry has good practices in accountability. The mean scores for items in both the MOHA and MOEP are above the cut-off values. It means that these ministries can manage for report back after finishing task, internal and external auditors checking the budget and outcomes, etc. Thus, it is seen that these ministries have good practices in accountability.

For consensus oriented, as good governance requires mediation of different interests in a society to reach a broad consensus in society such that, in what is the best interest of the whole community and how it can be achieved. Therefore, consensus oriented includes if there is departmental collaboration and coordination with each other in the ministry, if there are coordination inter-departmentally and coordination within hierarchical structure, etc. In this, all of the five ministries have high mean scores for all questions.

In responsiveness, most of these items to measure responsiveness consisted of about rules, regulations and principles to evaluate the responsiveness of an organization. All the ministries have mean scores of more than the cut-off values and therefore it can

be seen that the respondents agreed that their ministries are in good condition for responsiveness

It is found that MNPED and MOHA have good mean scores in all the items but the remaining three ministries are not strong enough in items such as requirements and problems of the staff assessed before proclaiming the rules and regulations, any re-evaluation on perception, attitude and emotion of staffs on this rules and regulations, and attitude and visions of other outside organizations connected with the respective ministry.

For equitable and inclusiveness, it can be seen that all the ministries have low mean scores in all the items, except for MNPED and MOHA, where they have a mean score of 3.0 and 3.4 respectively in the item of special supporting programs for poor staff in the respective ministries. Among all ministries, the MOH has a much lower score in nearly all items implying that it is less equitable and inclusiveness than other ministries.

For the rule of law, all the ministries have good mean scores in all items except one item in MOEP which has a mean score under 3 where the ministry rule and regulations are modified and revised with the present time after staffs revaluated them. In contrast, the MOHA has mean score above 4 in all items except one item where if there laws and sections of an Act regarding expenditure of finance in the Ministry.

Effectiveness and efficiency is an item of correctly prioritizing government services to correspond with citizens' needs. Out of the twelve items, all the ministries have high and reliable mean scores are found in three items, and another three items with mean scores between 3.2 and 4.4, while one item is a little above the cut off value of 2.5. All ministries have job description for the staff, required continuous training for improving staff skills, and the extent of explanation of delegation responsibility to the delegated person. But all are weak in whether there is adequate monetary supply for the specified duties and responsibilities.

Concerning good governance practices by the ministries, it is also analyzed based on the total mean scores of the same eight characteristics. Octagon shaped diagrams represent these mean scores and conditions of good government practices in each of the five ministries. Accordingly, in each ministry, the practices are not at the same level. For MNPED, good practices are experienced in transparency, accountability, consensus

oriented, responsiveness, rule of law, and effectiveness and efficiency. But participation is not strong enough and equitable and inclusiveness is weak. These situations can be clearly seen in the octagon shaped diagram where consensus oriented, and the rule of law is the only two characteristics spreading out to the total score of more than 4.

Then, the situation of MOH in the diagram shows that its governance practices are disproportionate. This is because the MOH has mean scores above (3) in every characteristic except in participation with 2.8 and equitable and inclusiveness with 2.0. Other characteristics are more than cut off values and between 3 and 3.6 which are not more than 4. Overall, it can also be stated as having good practices.

In the MOE, all characteristics except equitable and inclusiveness are above the cut off value. The characteristics that are less favorable, include equitable and inclusiveness (mean score, 2.1) and participation (mean score, 2.7) having only a little more than the cut off value of 2.5. In this ministry, there are good governance practices except that equitable and inclusiveness and participation are weak.

For MOHA, similar conditions are seen as equitable and inclusiveness being the weakest characteristic having a mean score of 2.4. Then, participation also scores 3.1. However, in terms of overall scores; this ministry has the most efficient good governance practices in the study of five ministries.

In MOEP, in terms of overall scores, this ministry is favorable in good governance practices in the study of five ministries. But it has equitable and inclusiveness being the weakest characteristic having a mean score of 2.1 not reaching the cut off value of 2.5. Then, participation scores 2.9 is the least score after equitable and inclusiveness.

Transparency can be seen as all the five ministries are in good practices except in MOH and MOEP where they are in a lesser favorable condition than the other three ministries. Then, accountability also has good practices in terms of the total mean score. In this, MOH is found to be weaker than the others with a score of only 3.0. Consensus oriented shows a very strong position in terms of the total mean score which is more than 4 in all ministries except in MOH with a score of 3.6. The rule of law also has the same situation as consensus oriented having a high level of scores in all the ministries. Both responsiveness, and effectiveness and efficiency are found to be in good practices with all

ministries having a score of more than 3 and some ministries such as MNPED and MOHA having the highest scores of 3.6 and 3.7 respectively for responsiveness and 3.6 and 3.9 respectively for effectiveness and efficiency.

A similar situation is found in all the ministries for the total mean scores of some characteristics. For participation, all the ministries have scores which are over the cut off value of 2.5, but these scores are below 3 and only MOHA has a score of 3.1. This indicates that as mentioned before, participation by both male and female which is a key element of good governance is not strong enough to enhance capacity and skills of staff and sustainable policies supported by institutions of public administration. Equitable and inclusiveness are also found to be weak in all the ministries with their total mean scores below the cut off value of 2.5.

An overall review is made on the conditions of the eight characteristics in the five ministries; it is found out that most of the practices in all the ministries are similar such as participation and equitable and inclusiveness where these two characteristics are rather weak and for consensus oriented and rule of law are strong and favorable.

Reviewing this condition, it is seen in all ministries that in the 10 items in the measure for score values, (6) items are found as failing to reach the cut off value with a very few exceptions in MOH, MOHA, MNPED, and MOEP. It is needed that the staff of the ministries should be given opportunities to take part in the regular activities such that they would have confidence in working in this organization.

A similar situation was seen in equitable and inclusiveness where (7) out of (8) items did not reach the cut off value such that the result is not favorable. It is found that the ministries are very weak in overseeing the welfare of the staff as they lack support either in terms of monetary support or in terms of in kind subsidies especially for the low income and needed staffs. It is important to consider thoroughly this case as government staffs do not have other incomes; rather they have to rely only on their monthly income. So, in some way, the ministries should try to provide some assistance to the low income staff.

As it is found that both consensus oriented and rule of law are strong and favorable, the ministries should try to conserve this situation for the future. Coordination between departments in the ministry and also with other ministries is crucial and a communication network is a must for the staff in the ministries to have efficient and convenient communications among themselves and also with the staff from other ministries. Then, the rule of law measures the extent to which agents have confidence in and abide by the rules of society, particularly the quality of contract enforcement, the police and the courts, as well as the likelihood of crime and violence. As all the ministries' scores are in a good condition, it also is needed to conserve this situation and to continue to take actions in order that the staff abide by the rules and regulations of the ministry and new rules and regulations should be enforced when needed.

Thus, the government, though it is a democratically elected government, still has some form of centralization in some characteristics. Some functions are still controlled and not being delegated. The most important task is to work together to create good governance and clean government such that the government must be transparent, accountable and consistent with the existing laws. In this context, governance includes process by which those in authority are selected, monitored and replaced, the capacity of the government to effectively manage its resources and implement sound policies, and the respect of the citizens and the state for the institutions that govern economic and social interaction among them.