

# **Modifying the ‘One Size Fits All’ Good Governance Agenda for Ethiopia**

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## **Introduction**

As advocated by neo-liberal entities, the agenda of good governance is grounded on democratic principles that create on-going interaction processes that are supposed to solidify, governmental structures, functions and practices of the state and its people. As the a key driver to economic growth to alleviate poverty in developing countries, the interaction process of good governance embeds core guidelines that include, the rule of law, citizen participation, transparency, accountability, and elimination of corruption.

Given that the democratization process and the components of good governance are central to the achievement of development goals for the twenty-first century (Punyaratabandhu, 2004), it is either naïveté or arrogance not to defend the concept of good governance. On the other hand, it is wishful thinking to accept good governance as a guide for all developing countries because it is based on abstract concepts beyond the capability of some developing countries for them to create a better public life. Moreover, because good governance requires a decision-making process, its agenda of cannot be imposed from the outside. Rather, it has to be accepted and practiced according to the needs of its stakeholders from the inside. Otherwise, they remain dependent on the existing capitalist order that requires hegemony based on apatron-client relationship.

A review of the literature indicates that protagonists strongly claim that the agenda of good governance has worthy goals not only in itself but also as a means through which it would enable economic growth and development in less developed countries. As discussed by Sachs (2015) the three pillars of sustainable development are economic development, social inclusion, and environmental sustainability. They require good governance with rules of behavior to play a central role in order to achieve sustainable development goals. Similarly, studying 17 emerging countries in Africa, Radelet (2010) demonstrates that a shift toward democracy in African countries has been accompanied by a measureable improvement in the quality of governance.

Based on theoretical arguments, opponents of good governance critically argue that the underlying theoretical basis of good governance is based on Western social order. Good governance establishes a bondage system between administrators and citizens. Based on the bondage system that exists between donors and recipients of aid, pessimists strongly argue that government officials of developing countries cannot use their own institutions to formulate pro-poor policies because they are not accountable to their citizens. In addition, opponents assert that corrupt officials in some developing countries have the tendency to badly hinder development

efforts by stealing aid contributions or misdirecting the aid money into unproductive activities (Gisselquist, 2012). Grindle (2010) also argues that the “...the elites who dominate such governments are not always interested in improving governance, as this could easily limit their power and access to rents and resources.”

Interestingly enough, even the USAID (2013) that asserts good governance is the cardinal underlying basis for development, claims that development goals of a number of developing countries are undermined by the corrosive impact of corruption. Pursuing further this kind of argument, the USAID (2013) claims that corrupt elites in some developing countries not only capture state benefits and indulge in unaccountable governance, but also divert the scarce national resources from development projects to their private gain because of the lack of a transparent governance system that does not require accountability to local citizens.

From a methodological standpoint, the opponents of good governance argue that the concept of good governance is not applicable to sustainable development because its indicators are formulated in such way to make that the recipients willingly or unwillingly subscribe to the donors’ normative or value judgments. Going one step further they claim that neoliberal models introduce political conditions based on Western liberal values of democracy tailored to deepen the dependency of the aid recipient countries (Nanda,2006; Kofi and Desta; 2008; and NEPAD,2007).

Based on the assumption that aid donors generally create long lasting dependence of the borrowing countries, the opponents of good governance argue that when developing countries borrow or receive assistance from aid-giving agencies, they are given no choice but to follow the lead of the neo-liberal Washington Consensus Model (Adetula, 2011). In addition, opponents argue that without understanding what good governance is because of the lack of clarity and what it means to different organizations and participants, and how good governance is measured, developing countries are destined to pursue the ideals of liberal democracy depicted for them by the strategies of good governance. Actually, when developing countries attempt to navigate through good governance, they could outpace their limited resources and eventually sink into dependency (Gisselquist, 2012; Grindle, 2008; Schmitz, 2007).

The purpose of this case study is to show that since the agenda of good governance is designed as ‘one size fits all,’ it is not contextual or compatible with Ethiopia’s cultural realities. The second part of the paper presents a brief historical review of current Ethiopian history. The third section of paper presents the theoretical underpinnings of the model of good governance as set by donors and the adherents of neo-liberal democratic ideology. Grounded on African communal consensus–building approaches, section four of the paper develops the applicability of grass roots democracy or democratic autonomous self-rule federalism as an alternative to the agenda of good governance for Ethiopia’s ethno-federal system. The last part of the paper suggests some desirable and feasible policies for untangling ethno-federal Ethiopia from some of the malaise of mal-administration and the developmental problems that it is currently facing.

## Contemporary Ethiopia

After the collapse of the Military Government in 1991, Ethiopia has undergone three challenging transformations: ethnic federalism with the right of self-determination, including the right to secession; a developmental democratic state system of governance; and a democratic devolution, each to become the governance system at the grassroots level (*woreda*) of its administration structure.

To ensure national consolidation, the Ethiopian Peoples' Revolutionary Democratic Front (EPRDF) vigorously redefined Ethiopia's political landscape into ethnic federalism and restructured the state into the contemporary Federal Democratic Republic of Ethiopia. The EPRDF subdivided the Ethiopian polity into nine asymmetrical, ethnic-based regional states and two federal city-states that included the city of Addis Ababa and Dire Dawa. To further assure self-rule and ascertain confidence in the nation and in the people of Ethiopia, each regional state was assured the unconditional right to self-determination, including the right to secession.

Following the examples of Taiwan and South Korea's strategy of mapping industrial policy, Ethiopia established the ground work necessary for a developmental state with a government planning policy, or designating the intervention of the government in designing the country's economic system. However, realizing that multilateral, bilateral, and donor countries would not lend aid unless the aid recipient countries agreed to abide by the blueprints of good governance, the Ethiopian government slowly revised its socialistic orientation and undertook a tactical view by openly propagating the idea that it was possible to achieve developmental state, and the country could transition into democracy, accepting the agenda of "good governance" in order to receive assistance from bilateral and multilateral agencies.

In 2001, the EPRDF further embarked on the devolution of powers and responsibilities of the *woreda*, or lower level of administration. As highlighted by Assefa (2015), the 1991 manifestation of decentralization was aimed at creating and empowering national and regional states of governments, whereas as the second phase of decentralization extended the devolution of powers to the *woreda*.

A cursory look at the state affairs now clearly indicates that Ethiopian politicians and bureaucrats seem to be 'playing with the rules rather than playing by the rules.' As a result, more recently, a number of regional governments in Ethiopia have been stepping up the assessment of their management strategies. To curtail some of the mal-administrative practices riddled with dramatically flourishing corruption for instance, the Tigraye Regional States summoned a regional conference towards the end of 2015 to assess the serious administrative challenges and systematically evaluate the implementation of the agendas for good governance. Citing various upheavals that occurred in the Oromia Region and in particular the eviction of the Oromio farmers from their farm lands, Prime Minister Haile Mariam Desalgne has straightforwardly stated that Ethiopia was suffering from the problems of governance, and that by

evicting the helpless Oromio tenants from their land has alienated the social base of the EPRDF Party (The Guardian, March 9, 2016). To expedite the processes of good governance that it had previously accepted, Ethiopia has declared the Year 2015/16 as the “Year of Good Governance.”

### **Literature Review**

Over the years, a number of donor institutions and countries have conceptualized “good governance” as a catchy phrase designed to achieve their own goals and at the same time, improve the quality of the recipient countries. As shown in Table 1, there is no consensus among donors of a working definition of good governance that could help to classify which countries should be classified as well-governed or poorly governed. Actually, as it stand now, the working definitions and components of a good governance agenda set by donors may mean different things to aid-bestowing institutions and the aid-receiving countries.

For example, after having studied the economic and political crisis in Sub-Saharan African countries in 1989, the World Bank suggested that the conditions of good governance need to be established for bestowing assistance to African countries. As a means to explore the Sub-Saharan Africa’s economic and political conditions, the Bank used the country Policy and Institutional Assessments (CIPA) index. The CIPA Index was composed of four clusters (economic management, structural policies, policies for social inclusions/equity, and the public sector management and institutions), which was further divided into 20 items. That is, the CIPA indicator included: economic management (four items); structural policies (six items); policies for social inclusions/equity (five items); and public sector management and institutions (five items). However, as argued by Punyaratabandhu (2004), since good governance is a floating concept, “New items may be added to the CPIA index, and old ones removed, from time to time, but the total number always remains 20 items.” The major weakness of the CPIA methodology is that the index was based on assessment by the World Bank staff rather than by impartial external professionals (Punyaratabandhu, 2004). As noted above, the quality of the policy was based on staff assessments, and the assessment technique lacked validity. Three of the four clusters were related to creating favorable conditions for the private sector, rather than measuring governance in the sense of the state’s relationship with civil society. For example, developmental states were not objectively measured (Schmitz, 2007, Punyaratabandhu, 2004).

In addition, the World Bank assessment tools seemed to be based on moral value judgments. The agenda of good governance tries to distinguish between the good, the bad and the evil. As stated by Shivji (2003), the good governance concept as used by the World Bank rests on political conditionality. Its technical tools are generally administered by global hegemonies which undermine the sovereignty of African nations. Being the major donor organization, the World Bank has used its financial leverage to reduce the role of African states to become functionaries. The result is that it has made Africa’s struggle for democracy rely on the whims of the donor states and donations given.

In general, instead of identifying and mapping out where the aid recipient country is currently now and where it is going, the good governance indices and assessments tools are designed to closely indicate the interest of the aid donor agencies. That is, the good governance assessment techniques are not contextually located and are not made country specific. For example, though China has been demonstrating a very robust economy for more two decades, it is likely to be evaluated as having a weak governance system. Furthermore, the indicators are not operationally defined in order to ascertain who would decide what the outcomes would be. That is, it would be left up to the donor or the recipient to assess the outcomes of good governance.

In short, since the good governance indicators are not derived from a theoretical framework, the indicators don't systematically demonstrate that the underlying processes, mechanisms, institutions, and the end state of a nation, suggest an appropriate time frame over which the agenda of good governance needs to be evaluated. For example, the United Nations strongly argues that good governance deepens democracy in a fragmented world and assumes that good governance eradicates poverty and promotes development. Based on this assumption, the United Nations relies on using seven complex and disjointed indicators to assess the application of good governance by the aid receiving countries (UNDP, 2002). At the same time, it is difficult and too absurd to implement good governance because the directions set for the recipient countries are too vague in their instructions and don't elaborate what goals can actually be achieved, and when.

As said by Grindle (2010), maybe good governance is as important as many other good ideas but it is not a magic bullet. For instance, as set by the donor countries, the obligations of good governance call for: a) the institutions in the recipient countries to set the rules for economic and political interaction; b) decision-making structures in the recipient countries to determine priorities among public problems and allocate resources to respond to them; c) recipient countries to have organizations, administrative management systems, and deliver goods and services to their citizens; and d) human resources that staff government bureaucracies in the recipient countries to handle effective interface of officials and citizens in political and bureaucratic arenas ( Grindle 2010).

Realizing the limited resources that developing countries have, a branch of the United Nations, the United Nation Development Programs (UNDP) focuses on differentiating between objective indicators, such as economic performance, and the subjective indicators that reflect respondent opinions and perceptions (Punyaratabandhu, 2004). The Organization for Economic Cooperation and Development (OECD) uses five indicators that pertain to good governance, and also forwards goals that need to be accomplished in the future. Given its ideological orientation, the United States Agency for International Development (USAID) on the other hand gives support to a number of developing countries that are going through transitional democracy, cherishing the rule of law, respecting human rights and individual freedom, as well as abiding by the rules of the free market to achieve their socioeconomic development (USAID, 2013).

**Table 1: Components of Good Governance**

	Democracy, inclusive political participation, pluralism	Human rights	Promotes Rules of law	Governing systems that can combat corruption, price systems. Capable, Effective & efficient management	Transparency & accountability	Reform public institutions/ Representative legislation, independent judiciary	Achieve, process, outcomes economic development	Visionary or look forward, Social, responsive, equity to its people
World Bank				X	X	X	X	
United Nations	X	X	X	X	X	X		X
UNDP	X			X	X			X
AFDB	X			X	X	X		
ASDB	X			X	X		X	X
Inter-ADB)	X				X	X		X
European Commission	X		X	X	X			
IMF				X	X	X		
OECD	X		X	X	X			X
USAID	X	X	X	X				

**Source:** Compiled from Rachel M. Gisselquist, “Good Governance as a Concept, and Why this Matters for Development Policy”. United Nations University, World Institute for Development Economic Research. March 2012.

Based on their specialty, the African Development Bank (ADB), the Asian Development Bank, (ADB), and Inter-American Bank (IAB) stress accountability, transparency, combating corruption, achieving social policy for equity, assistance for infrastructure, economic development, and the manner in which a country exercises the management and implementation of a just, legal and judicial framework, to bestow the necessary financial aid. In short, as stated by Parhasarathy (2005), the ADBs and IAB seem to be more interested in economic governance or a sound development management system to assess good governance.

To summarize, the “good governance” concept has been evolving for many years. The donor institutions generally assume that promoting good governance in developing countries is the primary focus of their agendas (Gisselquist, 2012). Nevertheless, as mentioned before, their stance of good governance is based on normative value judgments. It epitomizes Western thinking and is based on Western history and culture. Not only does good governance as a concept epitomize Western values but knowingly or unknowingly it is financed to spread neoliberal ideas that might prolong dependency. Conceptually, good governance is a list that lacks coherence among its components. As a result, it has created methodological problems. That is, unless development practitioners can “... develop valid measurements, they cannot know that the empirical relationships they observe between variables are meaningful.” (Gisselquist, 2012).

As argued by Parthasarathy (2005), rather than dismissing non-Western cultures as anti-democratic and not suitable for good governance, by hiding their beliefs it seems that the aid donor entities have been engaged to work with existing institutions, practicing to promote

development, and enhancing choice and freedom for individuals and groups. Just by ascertaining the fulfillment of political conditionality, the donor agencies have been busy donating funds and capital to the recipient countries. With little or no understanding of the establishment of local cultures necessary for a democratic governance system, nevertheless the agendas of good governance have been implanted in a number of developing countries. Given the intolerable conditions imposed on the developing countries, it needs to be stated at this juncture that the recipient countries have been accepting funds from the donor agencies instead of internally generating the funds themselves.

More specifically, when giving assistance to Ethiopia, the donor entities should have known in advance that the political culture of the Ethiopian people is by and large based on communal orientation. Given this, the neo-liberal Western values couldn't coexist with Ethiopian values. Instead of attempting to build a synergy between the developmental states of the Ethiopian states and the donor agencies, in the name of good governance the donor agencies have imposed their own cultural values on the recipient countries (Adetula,2011).

Therefore, if Ethiopia is to accept Western assistance, it needs to examine critically the Western capitalist economic theories, because they were developed for a different social order. Ethiopian policy makers need to modify the 'one size fits all' in order to adapt and use only the most relevant aspects for Ethiopian culture and its way of living. In the section that would follow in the future, an attempt will be made to explore the suitability and feasibility of Democratic autonomous self-rule Federalism or as it is known in political science jargon, the Consociationalism type of democracy for the Federal Republic of Ethiopia.

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