

**Breaking the impasse in measuring good governance and democracy:
Challenges to and from NEPAD**

Opening remarks by Dr Mark Orkin,
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at

the BMZ/GTZ/IDEA conference

on

“Assisting good governance and democracy: a learning process –
Reflections on developments in Africa”

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Chair, Deputy Minister, colleagues in the development endeavour –

I echo the thanks of my fellow panellists to our sponsors for the timely opportunity they have provided for us. We are here to compare notes, argue, and formulate what next is to be done, through contributing to improved governance and democratisation, to achieve a better and more equitable life for us all – not only in Africa and the “South” but, as I shall content, in the “North” as well.

Chair, whatever we wish to manage in society, we must measure and monitor. And this is no less true of the difficult political issues. I am presumably on this panel because, in the few years, this belief has motivated my particular involvement in development, just as it has shaped my working life. First I ran an NGO that produced social statistics for the anti-apartheid movement, including the monitoring of state-sponsored violence. Then I was the head of national statistics during roughly the first five years of South Africa’s new democratic dispensation. And now I lead a statutory organisation of a hundred social scientists, serving our public sector’s need for evidence – based policy-relevant analyses.

Now every country shares my belief in measuring and monitoring as regards economic indicators, social statistics and demographic trends – such as the GDP, the unemployment level, and the fertility rate – for international and national use. Nowadays they often also cover environmental issues, like CO₂ emissions. Such indicators are accordingly regarded as official statistics, and made the responsibility of a government department. The statistics are then collated at higher levels by regional agencies like Eurostat or world agencies like the UN.

Building on this shared acceptance, and prompted by the need to monitor progress towards the Millennium goals, supranational agencies as the World Bank, the IMF, the OECD, and the UN Statistical Commission have succeeded, in a sequence of gatherings in recent years, in reaching consensus on harmonised “slates” of 20, 50 or 150 socio-economic, demographic and environmental indicators, drawn from the thousands of possibilities. These are used by countries themselves and the international agencies (including donors), for various purposes: not only the Millennium development goals, but compiling the Poverty Reduction Strategy Papers (PRSPs) by which highly indebted developing countries can apply for debt relief.

Concurrently, the IMF set up its Data Definition Standards, by which countries undertook to produce a set of key indicators to rigorous requirements, and to publish them on the world-wide web in accordance with a strict timetable. There was also an update of the UN’s System of National Accounts (SNA). Meeting these standards became a signal of good economic governance in the eyes of foreign investors.

Chair, winning donor assistance, debt relief, and foreign investment are big issues for developing countries. So they had a keen interest in complying with these standards for indicators in the economic, social, demographic and environmental domains.

Despite such inducements, however, the intended consensus has not been achieved by the supranational agencies on a slate of indicators in the remaining domain: that of good governance and democracy (G&D). There have been four main attempts: the Common Country Assessments of the UN Development Assistance Framework; the OECD/DAC “incubator”, with technical assistance from the World bank; the Roadmap towards the

Millennium Declaration; and the report by the Friends of the Chair of the UN Statistical Commission.

Indeed, the further the show went down the road, the worse it got. The initial set of items had political substance, but was still qualitative; the next set of items lost the political substance in quantifying them, and concentrated on free-market conditions; the third set omitted the indicators altogether; and the last document promised to tackle the problem sometime later!

I think there are three main reasons for the failure. Firstly, disputes about socio-economic demographic or environmental indicators tend to be *technical* and can be resolved quantitatively, relatively easily. But disputes about G&D indicators are endemically *ideological*. Before one can get to the quantitative issues, what is relevant to measure, and how it may revealingly be measured, have to be clarified qualitatively across disciplines from public administration to political theory. Suppose one chose the degree of access to health medical and educational services as a measure. This might be seen as radical by a right-wing think-tank seeking to minimise government and maximise free markets; and as conservative by a left-wing think-tank demanding a rights-based approach to development.

Government statisticians and their supranational counterparts are uncomfortable with such matters. They usually refer them, dismissively, to NGOs. The latter, as a result, do not benefit from the rigour of the statisticians. So, as was vigorously argued in the recent EC/Eurostat/CDG symposium in Munich, the G&D indices produced and assertively publicised by some NGOs may have rickety empirical foundations and opaque processes of aggregation. This in turn compounds the official agencies' suspicion of the NGOs, as was experienced in the convening of the September 2000 Montreux conference on official statistics and human rights, when it sought to bring the two kinds of organisations together.

There is a second, even less tractable, reason for the failed consensus on G&G indicators. As a requirement of trading in the world economy, even undemocratic regimes will be desperately keen to produce and disseminate their socio-economic, demographic, and environmental statistics. But they will be decidedly reluctant to produce and disseminate G&D indicators showing that the favours of their civil servants and politicians can be bought; that they have suspended or cheated elections; that they are harassing or jailing oppositional journalists; that they are systematically restricting opportunities to women; or that they are discriminating against, even waging civil war upon, members of particular ethnic groups or sub-nationalities.

This reluctance is compounded, thirdly, by the inevitable use of indicators, like the HDI and its variants, to rank countries internationally. Undemocratic countries that are improving on such indicators – perhaps because they are resource-rich or have forcefully applied far-reaching redistributive policies – are reluctant to be pulled down on G&D criteria.

Yet almost by definition they remain members of the UN systems, and entitled to participate in and influence its ventures – *inter alia*, by resisting the exploration and inclusion of G&D items in the slates of statistical measures. And since some of the undemocratic resisters are powerful – perhaps because they offer the West essential raw

materials, desirable cheap manufacturers, vast consumer markets, or strategic location – it is not surprising that the top-down effort through the supranational grinds to a halt.

Faced with this seemingly intractable obstacle, the Montreux conference sought to add a bottom-up approach, by fostering a network of collaborators in case-studies that might demonstrate workable and contextually sensitive examples of G&D indicators, for possible subsequent incorporation in international slates. Usefully, at about the same time Eurastat declared an interest in reviving the top-down approach, and a workshop is being planned for November 2002. Both these efforts should enjoy our support, and indeed one hopes that some of the mighty resources of the latter will support the fragile but vital fabric of the former.

But a dramatic new approach to the dilemma of undemocratic resistance to G&D measurement has rapidly arisen in Africa, as a spin-off of the NEPAD initiative. *Semper aliquid ex Africa novi!* NEPAD is the New Programme for Africa's Development, already mentioned by the other panellists. Broadly, it is an African-driven effort to address widespread poverty through sustainable development, building in turn upon conflict prevention, sound economic governance and accountable political democracy. There are a mix of supportive priorities including capacitation of women, and the provision of infrastructure, ICT, and health and educational services. NEPAD is run by a Heads of State Implementation Committee (HSIC), comprising three representatives from each of the OAU's five regions; and the five presidents who originated the programme form a steering committee.

For its measurement and monitoring, the programme introduces an African Peer Review Mechanism (APRM). Countries wishing to join and benefit from NEPAD have to agree to an external peer review every three years, assessing how well they are fulfilling their G&D obligations. These are presently contained in a draft protocol, not yet made public, of twelve obligations and a score of required actions to fulfil them. For example, fixed terms of office for leaders is suggested (which may not be retained). Countries being reviewed will have to submit a report, which will be weighed against evidence from other sources such as the UN Economic Commission for Africa (UNECA), and by a country mission of eminent Africans selected by NEPAD heads of state.

As has recently been clarified by Professor Wiseman Nkuhlu, who heads the NEPAD Secretariat out of South African¹,

What is envisaged is the creation of a separate mechanism or entity that has the necessary technical competence, is objective, and free from political manipulation. The persons in charge must be persons with the necessary credentials...

In undertaking peer reviews they will use competent, independent research knowledge institutions. If they are, for example, dealing with human rights issues they will deal with independent human rights lawyers or institutions; the same applies to democracy or economic issues.

We need to make sure that the reports developed through the peer review system are made public. This could be after a period, when the heads of state have had an opportunity to comment.

¹ Keynote lecture to HSRC's Southern African Regional Poverty Network, Midrand, 4 April, 2002.

The approach is powerfully comprehensive. It solves the first obstacle encountered by the international G&D sequence – the chasm between the organisational cultures of official-statistics and NGO monitoring information – by constituting an enquiry-type mechanism in which they are obliged to reach a constructive accommodation, much as the Montreux meeting hoped. And it solves the second problem – of undemocratic resisters to scrutiny in terms of G&D measurement – by creating an indigenous conditionality that countries will have to undertake if they wish to benefit from NEPAD; a conditionality compiled not in Washington or Paris by G8 nations, but in Africa by African nations.

In its substance the proposal – in conjunction with the wider parameters of NEPAD – answers the G&D measurement requirements culled from the literature that I presented to the recent Munich seminar:

- qualitative as well as quantitative evidence;
- a mix of data-sources (supranational, official and NGO; local as well as foreign; etc);
- the inclusion of national process indicators as well global target indicators; and
- an integrated conception of governance, democracy, rights and development.

This impressive congruence is the result of good process-definition. I cannot claim any of the credit, having had nothing to do with it all! One might want to add that the NGO-side and foreign inputs I mentioned have advantages and disadvantages. The advantages are a constant and ongoing source of information; the possibility, if not a guarantee, relevant expertise in adjudging administrative and democratic process; and independence from the wishful thinking of the government concerned². It is ideal if these are derived from indigenous NGOs and knowledge institutions. The disadvantage, often expressed in Africa and sometimes plausibly, is that foreign-based NGOs or researchers may be seen as importing the context-insensitive values that the APRM is at pains to avoid.

Finally, the proposal effectively incorporates recent political-science insights as expressed earlier, that the available, purely indicator-based approaches by certain NGOs seem to be neither reliable nor valid. When compared in detail in relation to a number of countries, they are unreliable in not bearing each other out regarding the impact of conspicuously important developments at certain moments; and invalid in centrally mid-describing the key attributes of the countries over specified periods³. Instead, it is proposed that comparative indicators need to be embedded in carefully case-study analysis of the particular countries being dealt with. In this way, for example, the quality of governance or democratic institutions can be assessed, rather than whether they are merely present or not. For example, one needs to know not merely whether an election has been held, but if it's was free and fair; and even if so, whether there was a real chance of a change of ruling party.

The African Peer Review Mechanism, and the Partnership to which it contributes, are bold proposals. Unsurprisingly, both have attracted some criticism, some plausible. On the one hand, by setting such high standards the APRM may give Western states the rationale for not committing meaningfully to African development.

² Colm Allan and Zahra Dawood, "NEPAD should be driven by people", *Mail and Guardian*, 17-23 May 2002.

³ Dean McHenry, "Quantitative measures of democracy in Africa: an assessment", *Democratisation*, 7:2 (200), 168-185

On the other hand, the process itself may be ineffective if subject to manipulation by leaders who – in Africa as elsewhere – have historically been reluctant to criticise each other openly.

Something of a solution to both problems, also given by the audit literature, may be to recognise that one is dealing with *degrees* of democratisation, rather than simply its presence or absence. This would encourage both peers and the West to offer constructive and disaggregated suggestions about what needs to be improved, rather than dismissive criticisms. I would, as a starting approximation, simplify the many aspects suggested in the literature⁴ and arrange them to suggest a cumulative spectrum as below, with corresponding typical institutions and values:

Degree of democratisation	Institutions	Values
Good governance	Civilian government, able administration	Integrity, anti-corruption
Notional democracy	Elections	Political participation
Substantive democracy	Free media, independent judiciary, active civil society	Freedom of speech, equality before the law, empowerment
Political culture of tolerance	Changes of government, ethnic, gender representativity	Tolerance, pluralism

Regarding the wider NEPAD, church and academic critics agree on a number of objections, of which three main ones are that the programme has been inadequately consulted; that the political aims are targeted to the wishes of G8 governments and donors rather than the realities of still-heterogeneous African value-systems and institutions; and that at the heart of the programme is a neo-liberal economic framework that basically retains structural adjustment programmes while overlooking the enormous damage they have done over the past two years⁵. In addition its attention to, for example, gender and environmental issues is considered inadequate.

These debates will undoubtedly be aired in the sessions of this workshop, and finally resolved in wider arenas. In the realm of quantitative and qualitative measures they should be addressed in any event in the conceptions of the instruments and the checklists of the APRM processes.

But the latter two criticisms do alert us that the developed West may be an engaged party rather than merely a supportive observer in the African and third-world development process. And, sadly, sometimes the engagement is not constructive. This week provided a harsh reminder, when the recently-provided \$5bn increment in US aid was dwarfed by the announced increase of \$83bn in agricultural subsidies to US farmers over the next ten years. This will be a heavy and long-term blow to agricultural exporters in the South, where agriculture accounts for about 60% of employment and 40% of export earnings.

⁴ For example, Julius Court, Goran Hyden and Ken Mease, "Assessing governance: conceptual, methodological and substantive issues", presented to the CDG workshop on Measuring Democracy and Good Governance, Munich, January 2002.

⁵ Southern African Catholic Bishops' Conference statement on NEPAD, 1 March 2002; Declaration on Africa's development challenge: adopted at the end of the joint CODESRIA-TWIN-Africa conference on Africa's development challenges in the Millennium, Accra, 23-26 April, 2002.

Nor is the US the sole culprit: we are told that the EU spends about \$1bn per day on agricultural subsidies, seven times the annual level of development aid. This apparently represents 35% of EU farm income; in Japan the percentage is 59%⁶.

Tariffs on imports are another sore point. Recently World Bank President James Wulfenshon, British Development Minister Clare Short and SA President Thabo Mbeki have called in almost identical terms for the lowering of trade barriers in favour of poorer countries, as mooted by these countries at the November 2001 WTO Ministerial Conference in Doha. As Ms Short put it, "For too long the Western powers have lectured the developing world about trade liberalisation, but created barriers to developing country access to their markets"⁷.

Indeed, one may wonder whether such barriers are not part of the process hindering precisely the development of infrastructure and communications necessary for a meaningful transition up the democratisation spectrum...but that is a more complicated issue than these remarks can address.

The double standards extend into subtler areas. CO₂ emissions, I noted earlier, are included in the largest harmonised slate of development indicators. Now the *Financial Times* of 26 May reported that nine EU countries are lagging behind their targets for reducing emissions of the gases that cause global warming, and that the EU as a whole is ahead only because of Germany and the UK. This sits uneasily with valid EU criticism of the US' administration's refusal to ratify the Kyoto Protocol on the issue. (US emissions have risen by more than 14% during the 1990s.) Apparently the EU has introduced a burden-sharing deal in respect of emissions. Isn't this like condoning autocracies in some Southern African states because South Africa and Botswana are such successful democracies?

The final point, chair, is thus that scrutiny in respect of good governance and democracy by measures and review processes must also be applied among the developed nations of the world if it is to be applied to any. Of course, we have noted that such reviews must be sensitive to context. So, only half in jest, may I suggest a new index for the West, to accompany the famous HDI? We may call it the DSI, the "Development-Supportive Index". It can combine, in appropriate technical fashion, the examples I have mentioned: percentage of GDP spent on development aid, the percentage of GDP spent on agricultural tariffs, and the annual change in specified environmental emission levels. Do I have any volunteers to get the information from the Web and set up a ranking, in time for the inauguration of NEPAD's African Peer Review Mechanism of good governance and democracy?

Thank you, colleagues. We all look forward to a lively and worthwhile exchange.

⁶ Bill a blow to prospects of the next WTO round", Speech by Australian High Commissioner David Connolly, *Business Day*, 24 May, 2002.

⁷ Keynote lecture to HSRC's Southern African Regional Poverty Network, Midrand, 4 April, 2002.