

Issues of Capacity-Building and Good Governance: A Case of Bangladesh

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ABSTRACT

This study is based on analytical work focuses on the issue of capacity building within a governance context in Bangladesh. Secondary materials have been extensively used, interpreted and reinterpreted to substantiate the arguments. It reviews the capacity deficits in Bangladesh, identifies the capacity gaps in institutions and sectors of governance and provides recommendations for filling those capacity gaps based on the experiences. This paper shows that the high quality of good governance and high level of capacity are positively correlated with each other.

Keywords: Good Governance, Capacity, Bangladesh, high quality of governance, high level of capacity.

1. INTRODUCTION

In recent times the issues of good governance have received attention from the policy makers, researcher and the international donor agencies. Good governance and capacity-building are closely related to each other. It is also true in the context of Bangladesh. Good governance is a major factor in creating an environment of peace, stability and security in which people can pursue various productive and creative activities, creating wealth and employment and thus promoting human development and alleviating poverty. But good governance is a product of deliberate policies. It requires all the institutions of governance to function in accordance with a country's constitutional provisions of the rule of law, due process of law, cultures and traditions. And in order for the institutions of governance to perform their functions efficiently and effectively they must be endowed with the appropriate capacities. The objectives of this paper are: (i) to analyze the link between good governance and capacity, (ii) to identify the capacity gaps in institutions and sectors of governance in Bangladesh, and (iii) to provide some recommendations for filling those capacity gaps.

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2. MATERIALS AND METHODS

This analytical paper is prepared by using data and information from secondary sources. Secondary source includes different published materials, such as books, journals, research reports and other documents. Relevant data and information have also been collected through internet browsing.

3. RESULTS AND DISCUSSION

3.1 Linkage between good governance and capacity-building

The concept of good governance is not readily defined. UNDP, in a comprehensive policy document from 1997, states that good governance is characterized by participation, the rule of law, effectiveness and efficiency, transparency (built on the free flow of information), responsiveness, consensus orientation, equity, accountability, and strategic vision. According to DFID, good governance centre upon three main concepts (DFID, 2006):

- *State capability*: the ability to get things done, to formulate and implement policies effectively.
- *Accountability*: a set of institutionalized relationships between different actors that might help bring about responsiveness.
- *Responsiveness*: when a government or some other public authority act on identified needs and wants of the citizens.

On the other hand, capacity is the ability of the state institutions to act authoritatively to transform the structural basis of the economy to achieve economic growth, reduce poverty and income and wealth inequalities. In other words capacity here implies the capacity of the state to foster inclusive development, including enhancing the human capabilities of all citizens. Inclusiveness and social justice is, therefore, central to this conception (Edigheji, 2007:1). In the context of governance, capacity entails the ability of an institution of governance - the legislature, executive, judiciary, civil society or the private sector - to perform its constitutionally or politically mandated functions or roles efficiently and effectively.

Cohen (1995) developed a framework for analyzing capacity-building issues and interventions that aimed at addressing some important issues. His framework consists of five dimensions: (i) targeted personnel capacity (*i.e.* personnel who carry out critical or high priority government functions such as public sector managers, professionals, and technicians); (ii) capacity-building stages (*i.e.* beginning with anticipating, planning, and advocating manpower needs; recruiting candidates into the public service to meet the institution's needs; managing and utilizing effectively the institution's emerging cadre of skilled personnel; training

and upgrading of skills through in-service program's; and ending with promoting an attractive public service through leadership, strategies, and rules); (iii) training capacity (*i.e.* the need to identify external educational and training institutions that facilitate governments' and aid agencies' efforts to build human resources capacity); (iv) external institutional, manpower, and systems support (*i.e.* obtaining support from institutions in charge of training, managing and retention of manpower, institutions that play a role in supporting their capacity-building efforts; information, communication, and institutional co-ordination systems; support by political leaders, decision makers, and stakeholder; and budgetary and financial resources); and (v) public-sector task environment factors that affect institutional efforts to recruit, effectively use, and retain skilled personnel (*i.e.* these include priorities for economic growth, government revenue, national plans, and budgetary allocation; public sector rules and regulations; educational sector plans and priorities; poaching of skilled personnel by the private sector and aid agencies; and national political factors, social pressures and client groups).

Hall argues that there is a linkage between good governance and capacity-building (Hall, 2002; Rahman, 2005:23). Often the capacity of organizations is assessed on indicators of good governance. Grindle and Hildebrand (1994) provide a framework for building sustainable capacity of public organization. This approach is shown in Table-1 below:

Table 1: Good Governance Indicators Based on Capacity

Capacity	Good Governance
1. Institutional Capacity	<ul style="list-style-type: none"> • Accountability • Transparency • Adaptability • Judicial independence
2. Technical Capacity	<ul style="list-style-type: none"> • Perspective planning and projecting future investment needs • Management of services and infrastructure • Financial management and accounting practice
3. Administrative Capacity	<ul style="list-style-type: none"> • Grievance redressal system • Personnel policy • Flexible and decentralized decision-making • Performance evaluation
4. Political Capacity	<ul style="list-style-type: none"> • Articulation of local needs in the context of organizational capacity • Mechanism for participation of stakeholders • State-local relations in policy formulations and fiscal transfer.

Source: Mehta, 2000:332.

3.2 Capacity gaps in institutions and sectors of governance

Good governance is possible only when the institutions of governance perform to requisite standards, the restructuring and reform these institutions remains the key to the future of governance in Bangladesh. One reason for misgovernance in Bangladesh is the failure of institutions of governance largely due to their declining capacities and capabilities (Hossain, 2004:94-95). The parliament, the executive, civil service and the judiciary, local government are the key institutions of the governance in Bangladesh. Unfortunately, these institutions have declined enormously in quality over the last few years (Panandiker, 2000:455). In terms of performance, quality, fairness and efficiency, it is found that the legislature, judiciary and executive have low capacity due to institutional weaknesses, which in turn has resulted in much corruption and poor performance. Other non state actors have similar capacity deficits.

Parliaments have thus become increasingly ineffective instrument of governance, contrary to their design and role (Panandiker, 2000:455). Politicians' unwillingness to abide by the parliamentary norms and rules, frequent boycott by the main opposition (abstention-30% in 5th, 43% in 7th and 71% in 8th *Jatiya Sangsad*), severe quorum crisis (start once in 322 days, incurred USD 2.07 million) over the years, reluctance of the government to discuss important issues in the House and absence of significant move to make the parliamentary committee system strengthened have not let the 8th *Jatiya Sangsad* play an effective role (Rahman, 2007:332-33). The Members of Parliament (MPs) of major opposition parties have been boycotting the parliament since 1999-the same way AL remained absent from it for nearly three years during the later part of BNP rule (1994-96).

The opposition has stopped attending the parliamentary session on the ground that they were not given fair time to talk and bring motions. The parliament is now practically ineffective-although committee meetings are held with designated MPs including the opposition members. Lack of staff and logistic support in the standing committees continues to be a major institutional weakness (Rahman, 2001:9).

The parliament and parliamentary committees have been dominated and monopolized by the ruling government. Committees could not live up to their potential and have not been able to contribute significantly in holding the political and administrative executive accountable due to its inherent structural and functional weaknesses. Meetings are infrequently held and reports are seldom produced (Rahman, 2007:331-33). According to a report published in the Daily Star on October 24 in 2003, 12 of the 40 parliamentary standing committees on different ministries broke the rules of procedure by not holding any meeting in regulation time. It is mandatory for all standing committees to hold at least a meeting a month as per rules and regulations of the *Jatiya Sangsad*. But 12 committees did not abide by it (Rahman, 2004:64).

Committee recommendations are not binding on the government and most of the recommendations are not adhered to and implemented. The parliament secretariat is not in practice independent of the executive and is poorly resourced. The *Jatiya Sangsad* is not a law-making/policy-making rather than a bill-approving body. Basically, Parliament has become a breeding ground for conflicts and rivalry between the two major parties rather than becoming a forum for reaching consensus on nationally vital issues. Deliberations and Question and Answer sessions (including PMQAH) in the House have not been lively and effective.

Cabinet shows inability to tackle the basic problems faced by the citizens. The civil service of the country has been politicized, thereby destroying their traditional capabilities (Hossain, 2004:94-95). Bureaucratic accountability is weak due to lack of clear policies and absence of transparency in the process (Rahman and Azizuddin, 1996:30). The civil service has become increasingly partisan, ineffective and corrupt. Successive governments have failed completely to achieve separation of judiciary from the executive (Mahmud and Mahmud, 2008:12). Anti-Corruption Commission suffers from a lack of capability at top management level and mid-management level. Top management level is unable to effectively take up managerial aspects of work related to corruption and mid-managerial level lacks of specialized functional skills. It has human resource problems.

The weakness of public service delivery institutions, undermine the capacity of the government to address its immediate PRSP commitments as well as longer-term achievement of the MDGs. This is compounded by inadequate attention to the “rules of business,” and a reluctance to impose discipline for fear of retaliation from powerful staff associations (Siddique, 2004). Good governance is nothing but a way to promote the administrative structure of a country effectively and successfully. Governance becomes good when the whole system of administration is accurately applied for the attainment of people's satisfaction, happiness, contentment as well as state's development. In a research survey, the following responses are found regarding some selected indicators (Table 2):

Table 2: Institutional Capacity in Governance and Peoples Perception

Sectors of Governance	Not Good	Not \at all Good	Little Good	Good	Very Good	Don't Know	Total
Financial Management	8.3	36.5	46.2	5.0	0.1	3.9	100
Steps against corruption	20.8	47.4	24.2	4.2	0.1	3.3	100
Human Rights	6.6	30.7	47.9	5.2	0.1	9.5	100
Employment	15.1	57.9	24.6	1.1	0.0	1.3	100
Law and Order Situation	5.9	21.7	53.9	17.5	0.9	0.1	100
Public Service	13.4	45.9	35.8	3.9	0.1	0.8	100
Quality of Education	0.5	3.0	36.8	52.9	5.4	1.5	100
Communal affection	1.8	7.9	44.8	36.9	5.8	2.9	100
Environment Protection	1.1	12.8	55.3	24.5	1.8	4.6	100

Source: Hasanuzzaman, 2009:124.

A high trust in public institutions is an important indicator of good governance that public institutions are responding to the wishes and needs of the people. Increased trust is also an indicator of public sector competence in addressing citizens' demands (Askvik and Jamil, 2007). However, the scenario of trust in public institutions in Bangladesh is not very encouraging. Distrust is the result of a gap between citizen's expectation and government's actual performance.

After the independence of Bangladesh, all the political governments wanted to create their political base at grass-root level and in that purpose, all the ruling elite constantly changed the structure of local government. With the changing pattern of governing system in rural power structure, the institutional capacity of local administration and local self-government is not organized till now (Islam and Hamiduzzaman, 2007:117). Moreover, constant changes in rural bodies changed the dominance pattern and made it impossible to emerge as a viable vehicle for good governance in the country.

In Bangladesh, however, a number of factors has adversely affected the possibility of enhancing administrative capacity. These are excessive centralization, inflexibility and lack of efficiency, lack of regularity and discipline in the administration. Although administration is inevitable in a state,

an inseparable part of it, but the administration in Bangladesh is not efficient in management and administration. The administrative system and state capacity is summed up in a World Bank (2003:29) development policy review report, "The capacity of the civil service has been declining for want of good recruits, effective leadership, and proper training. This is compounded by the politicization of the civil service, inadequate attention to following the "rules of business" and a reluctance to impose discipline for fear of retaliation from powerful staff associations. There is no dearth of knowledge on what types of changes are needed and what the priorities should be." The capacity of policy implementation of our administration is very poor. According to Du (2007), the performance of Bangladesh's public administration is constrained by (i) a top-down culture that leaves little space for mid-level officials to exercise independent authority, (ii) inadequate compensation of public officials, (iii) the absence of a system of rewards and penalties, (iv) the lack of professional development training and other incentives to improve performance and accountability, (v) the lack of systematic and merit-based policies for recruitment, (vi) inadequate safeguards for actions taken in good faith, (vii) frequent reassignments often driven by political and other considerations, (viii) pressures faced by reform-minded officials in creating space for change in government agencies, (ix) a lack of uniform public demand for reforms. However, absence of efficiency, transparency, accountability, representational political culture, institutional weakness of political, social, and economical apparatus and malfunction among those systems has made the bureaucratic system in Bangladesh despicable and disdainful.

4. FILLING THE CAPACITY GAPS: WHAT SHOULD BE DONE?

Good governance simply means that various tiers or agencies of government exercise their power in a manner that is effective, honest, equitable, transparent and accountable (Mollah, 2007:47). Effective institutions are understood to be prerequisites for establishing and entrenching a culture of accountability and transparency in managing national affairs. For building capacity in institutions and sectors of governance the following steps should be followed:

- Separate the parliamentary secretariat from the public service and provide intra-regional training for MPs (Particularly on financial matter) to strengthen their understanding and participation in national policymaking.
- Recruiting professionals and other technically qualified persons into the cabinet to deepen and broaden the skills base for government policymaking and implementation.

- To set up the office of Ombudsman to deal with irregularities and corruption in public expenditure management and government organizations. It will help reduce corruption and accelerate economic growth.
- To ensure an adequate flow of efficient administrators at the top. Top managers are important not only because they have a hand in day-to-day functioning of the machinery but also because they shape the machinery itself and act as the driving force of change.
- To improve institutional capacity reform of public administration is very important. We need to introduce a merit-based civil service and recruit experienced and qualified persons in government bodies.
- To increase or promote greater transparency in budgetary process is needed a public expenditure management. If reforms are carried out successfully, it will touch on many other aspects of governance, including anti-corruption, improving the management efficiency, transparency and accountability.
- To stop corruption, the government has to reform the present Anti-Corruption Commission, which will be able to eradicate all types of corruption of both government and private bodies.
- Devolving governance to the grassroots level by establishing local government structures in order to decentralize power and strengthen the efficiency of local structures to design and implement their own programmes.
- Increasing the independence of the judges and magistrates by raising the status and providing more statutory guarantees to judges and magistrates while adopting anticorruption measures.
- Developing significant training infrastructure and providing training to staff having up-to-date knowledge in Public Financial Management (PFM) and modern outlook to demand.
- Build the capacity of the state to deliver basic services through targeting specific ministries, i.e. health, education.

5. CONCLUSIONS

Building capacity in public institutions and sectors through good governance has come to the top of the global development agenda. It is noted that 'capacity development is one of the most critical issues for both donors and developing countries' (OECD, 2005:1). It is also critical for Bangladesh. Consequently, capacity-building and governance-related targeted investments represent important focus areas both for Bangladesh and the donors' community. However, the future of democracy in the present Bangladesh will depend largely on the ability of the present government to produce a record of capable administration through good governance.

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