

Good Governance State and Democracy

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**Paper to be presented at the Conference on Beyond the Post Wasington
Consensus: Governance and the Public Domain in Contrasting
Economies- the Cases of India and Canada**

Organised by Institute for Studies in Industrial Development, Delhi,
Robarts Centre for Canadian Studies, York University Canada and
Centre for Research in Industrial Development, Chandigarh

February 12-14 2001
Chandigarh

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The promise to the Third World to fashion themselves in the image of the Western countries is so seductive and attractive that although the history of development is replete with failures, belief in the dream survives. Past failures merely give rise to new theories, each claiming to have discovered the real solutions to the problems of development. The agenda of governance is to be seen as the latest in the long series of such theories spinning policies that need to be implemented if the dream has to be fulfilled. The purpose of this brief note is to examine a specific issue raised in the agenda. This is that of the importance of civil society and its institutions. Civil society is seen as that silver bullet that helps all societies to govern better. As a policy prescription, wherever civil society institutions are weak, they need to be strengthened and the role of state needs to be limited to provide greater space to act. The paper sets out challenges that India faces in carrying out such a prescription.

Much of the discussion of new agenda of governance is set within the broader understanding of the previous activities of the state and neo-liberal critique of it. It is also located in the current effort to rearrange the division of the public-private domain by shrinking the state and expanding the autonomy of the market. Civil society is seen as filling the gap of the withdrawal of the state, in promoting market as well as democracy.

The World Bank's construction of good governance starts from the rejection of the development models of the past. 'The post-independence development efforts failed', the World Bank (1989:3) tells us, 'because the strategy was misconceived.' According to the Bank, there is now 'a growing consensus' that these strategies 'pinned too much hope on rapid state-led industrialization.' State failures compounded development failures; private sector and individual initiatives were stifled and institutions were set up that did not reflect a society's characteristics and culture. Good governance agenda then underlines the curbing of the role of state and expanding the space for market and competition. It further places emphasis on civil society institutions to strengthen democracy and in constructing an informal sector that can

harness people's entrepreneurship through community institutions and inter-personal relationships. In the good governance discourse, democracy emerges as the necessary political frame work for successful economic development, and within this discourse democracy and economic liberalism are conceptually linked: bad governance equals state intervention, good governance equals democracy and economic liberalism. (Abrahamsen, 2000:51)

Civil society is seen as a source of vitality for both democracy as well as economic growth. Its institutions are a countervailing force that curbs authoritarian practices and corruption. They also create or strengthen associational organizations that provide such goods and services that can be provided more efficiently than the state. The space left by a retreating state can be filled by such private initiatives and proliferation of associations that manage local resources or deliver basic services will in turn support the trend towards greater participation and democracy. This belief is nurtured by the contention that social organizations succeed because there is collaborative action based on trust, norms and networks. It is these relationships popularised as social capital that builds capacity for participation and self-government. The argument is that associations help generate social capital strengthens democracy and improves the efficiency of the markets.

In this agenda of good governance, the conceptualisation of civil society proceeds on the assumption that power and exploitation is associated with the state, while freedom and liberty falls in the realm of civil society. This leads to a kind of romantic view of civil society where the existence of institutions outside the state become a sufficient basis to assume that state power is curbed and greater democratisation is taking place. Such a perception does not take into account the characteristics of a society where there are associations, those of caste or of a religion, that exist primarily to curb the human rights of individuals. Many associations also exist that do not have any self-conscious political intentions and do not seek to limit the reach of the state or influence its policies. Other associations, in turn, may espouse authoritarian ideologies and pursue undemocratic strategies and goals. Civil society cannot be seen as inherently democratic or undemocratic. Its character will differ across societies.

The heterogeneous and segmented nature of Indian civil society cautions against definitions that treat it as inherently democratic. There are diverse traditional, ethnic, class, and caste, regional or national interest. Such differences increase the likelihood that some of the associations or voluntary groups formed on these bases may pursue parochial interests. While the state withdraws and allows voluntary associations to step in, intensification of particularism and parochialism may also take place.

In a recent essay, Rudolph (2000:1762-69) has used the findings of three micro-studies (Jayal, 1999; Mohapatra, 1999; Pai, 1999) conducted in some villages in India to argue that associations are of various kinds and one needs to specify what type of associations are likely to generate democracy. She points out that associations may nurture as Tocqueville said, 'the inner moral life of those who participate, enhancing their sympathies for their fellow human beings,' without, however, 'nurturing their engagement with wider community.' Associational life, in other words, can make members appreciate each other even while making them self-regarding and parochial. It can generate a form of group selfishness that results in ethnic conflict and civil war as in Bosnia and Bihar.

In India the task of ensuring inter-group and intra-group loyalty still remains unfulfilled; this requires the support of the state as well as the pressure from the society. Universal laws are necessary and this requires the strengthening of the state and not abandoning it. Further, within the economic sphere, parallel markets have developed to avoid high taxes buy goods and services at low prices. Such kind of activities have weakened the state but also in turn not ensured a national concern. Informal sector has not always promoted the market.

Within this discourse of civil society, considerable emphasis is being laid on local community institutions. It is the emphasis that is a departure from the past. Of course, from the very beginning of the planning process, local participatory institutions like Panchayati raj and cooperatives were perceived as important agencies mobilizing people's support for planning and development. The failure of these institutions is now well documented and is now well

accepted that their primary weakness was that the people saw them as extensions of the limbs of the state and not as manifestations of voluntary action for self-help.

It is for this reason too, that in the present situation where good governance is being promoted, creating and supporting community institutions implies limiting the powers of the state and retreat of the state from many civic engagements. A widespread view among those designing emancipation from the state as a step for good governance is that strong states have been the culprits in the demise of civil institutions and the belief has grown that bureaucratic organizations tend to crowd them out. Typically government institutions have reserved for themselves the right to frame rules, adjudicate in disputes and establish goals of performance of community institutions. By and large then, community institutions in the new development strategy began to be seen as implementing agencies of the government. An institution that emerged on the basis of local community support and went beyond the stipulations of the government was perceived as a threat and faced hostile government reactions. On the other hand, institutions that became implementing agencies of government programmes were seen as supportive and legitimate. Thus, in a drought situation an organization that worked to see that minimum wages were paid in relief employment and norms of work were enforced faced a different situation than the one that helped in food distribution. More often than not when government acknowledges its own inability to proceed without community support there is a greater likelihood that voluntary action through new institutions or through strengthening old institutions may be supported.

A feature of contestation comes sharply into focus when community institutions are expressions of people's assertions of their rights. In a way such institutions are assertions by the communities. It is a demand of not only a right to use but also a right to conserve resources. In a society where state has been restrictive about people's rights and where exclusion is the norm, sustaining or creating such institutions is a struggle by itself. Like in so many countries, Indian local communities continue to wage their battles against encroachment of common lands. Many arguments have been put forward to show that the proposal to amend the Land Acquisition Act (1894) is to enable the state to take over land in the name of development without going through due processes in the name of efficiency and cutting down delays.

Notwithstanding the passage of the 73rd and 74th amendments to the constitution relating to panchayats and municipalities, the proposed law does not provide any role to them in the acquisition of land or determining compensation. The last word will be with the Collector. Usually the issue is a straightforward one – whether the government can ignore the customary rights of people in pursuit of centrally sponsored development projects. In many cases, disputes are referred to courts where the Right to Life is invoked. But court cases are long and tedious and do not provide easy solutions. In the meantime there is state coercion and violence. Many a political leader in government has talked of stern action against those who delay the acquisition proceedings.

Voluntary action is facing another kind of challenge. In a recent well-known case, it was alleged that an insurgency outfit murdered a leader of a developmental NGO working in the North Eastern part of India. The NGO apparently came into conflict with the power aspirations of groups fighting the state. This time a rebel group perceived NGO as a threat to establish its supremacy in the area. This was a reminder how divisions permeating the society can set institutional clock back. Conflict over resources and status can tear apart a social fabric and can hardly be conducive to engender social capital.

There are many examples in India where such conflicts are taking place. These conflicts are arising because local society is deeply divided. In many parts of the country disharmony is very sharp because of acute social divisions based on caste or communal identities. In addition there are inequalities due to skewed ownership of land. Such differences do not provide the conditions for promoting associational activities.

Community action organized to assert the rights of the people living on the margin attracts hostility from the government acting in league with vested interests. Thus, an associational activity is considered harmless so long as the scope of action is limited and narrow in scope. As soon as it enlarges itself into a broader field, it begins to threaten the established power relationships in society. Anna Hazare gets support so long as he confines his activities in a local area and is concerned with local issues of improved resource management and creation of conditions of harmonious living conditions in the village. As soon as the

collective action takes into its ambit larger concerns of society (fighting corruption) the government takes the action as an intrusion into its own domain. On his part, Hazare perceives sustainability of the institutions that he has nurtured to lie beyond the local boundaries and feels threatened by the state behaviour. The state, on the other hand, takes the enlargement of that collective action as an encroachment of its own power. Hence the conflict and state as more powerful actor takes effective steps to confine that action to local concerns.

Another example of failure in scaling up is that of protest that groups organized in Maharashtra over the continuation of the Enron project. It argued that the support for community protest began to weaken when their demands began to go beyond those of compensation or resettlement and expanded into questioning the need of such large projects and need to frame an alternative development strategy. This scaling up from local to global issues did not receive any support and the whole movement weakened over time. (Wagle, 1998)

In conclusion, two issues seem to emerge. One is that of the conditions that create such civil society associations that generate social capital to strengthen and widen democracy. The other is that of the role of the state. Within the agenda of good governance, civil society is assumed to foster freedom and liberty but we have seen how this assumption may not be valid in a society marked by severe social divisions. Individuals have to associate on equal terms and this condition can only be created by the state in framing and enforcing universal laws. Thus, the second issue is whether it is possible to perceive of civil society detached from the state. (Mahajan, 1999:1194-96) These issues need to be examined if civil society is perceived to be the magic wand that brings in good governance and democracy.

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