

FEEDBACK

Governance versus Government

by Jos Maseland

The Second United Nations Conference on Human Settlements (Habitat II) was the last in a series of United Nations global conferences in the 1990s. Held in 1996, it was dedicated to shelter and urbanization issues. The conference sought to draw the attention of the world to, among other things, the fact that in the next 25 years the world was expected see at least one billion additional inhabitants. According to the projections, some 85 per cent of these additional people would end up living in the cities of developing countries: the cities least prepared for such growth!



A chaotic traffic jam: Centralized planning has failed to address the root causes of urban problems. ©UNCHS

One of the main political messages emerging from the Habitat II conference was the recognition that good urban governance is a precondition for the achievement of sustainable urban development and adequate shelter for all. This message is the driving force behind UNCHS (Habitat)'s Global Campaign on Urban Governance, which was described in *Habitat Debate* Vol.5 No.4. As the editorial in that issue states, "it is now widely acknowledged that the main cause of urban rot and decay is inefficient and ineffective urban management and poor urban governance". The editorial further acknowledges that the recent concern about urban governance stems from a general concern about "good governance", particularly among development practitioners and the donor community.

Given this trend, one would have expected that the term "governance" would have featured strongly in the conference and its outputs. Surprisingly, however, the term appears only three times in the *Habitat Agenda*⁴, whereas the term "good governance" does not appear at all, not even as a remote future aim. This is even more striking considering that, from the mid-1980s onwards, the international community had clearly embraced the term "governance", and "good governance" in particular. Admittedly, the term "governance" is defined and interpreted in a variety of ways, depending on how useful that definition or interpretation is to those applying the term.

A few examples of definitions in use:

- Governance is the science of decision-making.

- Governance is the art of public leadership.
- Governance is the written and unwritten policies, procedures and decision-making units that control resource allocation within and among institutions.
- Governance is about how key community objectives are determined and realized, with government, whether central or local, being one, but not the only, possible means through which it may happen.

Attempts to describe the *concept* of governance get even more prosaic:

- Governance is the conceptual approach that, when fully elaborated, can frame a comparative analysis of macro-politics.
- Governance concerns "big" questions of a "constitutional" nature that establish the rule of political conduct.
- Governance involves creative interventions by political actors to change structures that inhibit the expression of human potential.

As the above indicates, both the definition and concept of the term "governance" have clearly broadened over the past few years. Apart from being used for any instrument of public affairs management, or a gauge of political development, governance has become both a useful umbrella term and a mechanism to enhance the legitimacy of the public realm: a means of justifying any act of *governing*. That is perhaps why the word "governance" is so often used in conjunction with the quantifier "good" or "sound". It also helps explain governments' reluctance to employing this term in international covenants. Governments assume that once the term is institutionalized in the political documents of the world's supranational structures, it could easily become a tool for criticism of acts of governing or, even worse, criticism of the Government! That is quite unjustified but perhaps one of the outcomes of the persistent but erroneous view that "governing" and "governance" are interchangeable terms.

Since there are highly divergent but inconclusive views on both the concept and definition of the term governance, it may be futile to attempt describing "good governance", let alone good *urban* governance. One thing is certain, however, and that is that the more than twenty years of largely piecemeal and inconsistent measures that passed for urban governance worldwide do *not* constitute good (urban) governance. A major problem is that worldwide, urban policy measures have largely attempted to address symptoms rather than causes. Lack of or insufficient acknowledgement of social transformation has left the true societal issues almost totally un-addressed.

Generally speaking, centralized politics and public policy can best engage in long-term planning for uncertainties. We cannot, and certainly should not, rely on market forces and resulting centralized public policy to successfully shape and guide social change. We can rely on these forces even less to shape our cities. The past twenty years have clearly shown that total faith in market philosophies, as propagated by Reaganomics, Thatcherism, monetarism or other derivatives of Adam Smith's "invisible hand of the market", is no cure for social and demographic evolution pains. As far back as 1944, Karl Polanyi made a prophetic statement: "To allow market mechanisms to be the sole director of the fate of human beings and their natural environment ... would result in the demolition of society."²

From Social Transformation to Political Innovation

Looking back, the 20th century will be seen as the century of social transformation. The first decades of the 21st century will undoubtedly see further social, economic and political turmoil, certainly in its urban areas. The challenges looming ahead may well be more serious and daunting than those posed by the social transformations of the past century. But we do not stand a chance of resolving the emerging issues of tomorrow and beyond, unless we first find effective ways of addressing and resolving current challenges.

Perhaps the sole lesson we should draw from our experiences during the second half of the 20th century should be the need to undo the negative aspects of our global political legacy. This does not mean unity for socialism or any other post-capitalist economic order. Rather, it means doing away with centralized authority because the powers and public trust vested in the mega-states of the 19th and 20th centuries, both in their totalitarian as in their democratic versions, have proven a dangerous and often counter-productive force in the pursuit of human development. The current trend towards local self-governance for cities is, therefore, a timely political development.

Jos Maseland is Human Settlements Officer in UNCHS (Habitat)'s Urban Secretariat.

References

1 It appears as "efficient governance" in para.45; as plain "governance" in para.180; and as the goal of promoting "transparent, representative and accountable governance" in para.228

2 The Great Transformation, Karl Polanyi, Beacon Press, Boston, 1989, p. 73
