The Good Governance Agenda and Urban Governance: The Case of Dhaka, Bangladesh

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Abstract

This thesis argues that the good governance agenda has reached an impasse in Dhaka due to the absence of political will and commitment. The current status of the good governance agenda, its advocates and opponents, after ten years of advancement as a prerequisite for poverty alleviation is investigated as well as its connection to the more recent phenomenon of urban governance. Urban governance on the one hand is used to describe urban actors and their relationships and on the other to describe the management of urban centres. Using Dhaka, Bangladesh as a case study, the thesis highlights that the two descriptions are very much connected since actors and their relationships, in the context of Bengali culture and accepted behavioural norms, influence the outcome of urban management issues, such as the provision of basic services and infrastructure. While there is little evidence that good governance does in fact lead to poverty alleviation, multilateral and bilateral donors and numerous NGOs, encouraged by the amount of funding available, are pursuing strategies to improve the governance situation in Dhaka. However, the current state of governance and the entrenched norms greatly affect the outcome which is emphasised through an examination of a number of current projects and programmes. Development practitioners, especially donors, are only now beginning to acknowledge the importance and influence of culture and politics on development policy, programme and project outcomes. However, direct attempts to modify culture and politics will undoubtedly lead to criticisms of interference in sovereignty issues. It is suggested that the good governance agenda has reached an impasse until there is a demonstration of political will and commitment for achieving good governance from the Government of Bangladesh, civil society and donors. The Government because as elected representatives they have power to change legislation, provide leadership nationwide and set a context for improvements; civil society because their attitudes and actions can either reinforce the current societal norms or challenge them; and donors because their own political and strategic agendas should help and not hinder development.

Contents

Tables, Diagrams and Figures

Glossary

ADAB	Association of Development Agencies in Bangladesh
ADB	Asian Development Bank
ADP	Annual Development Plan
AL	Awami League
BCAS	Bangladesh Centre for Advanced Studies
BCP	Bangladesh Communist Party
BIDS	Bangladesh Institute of Development Studies
BNP	Bangladesh National Party
BRAC	A Bangladeshi NGO
CEO	Chief Executive Officer
CIDA	Canadian International Development Agency
CUP	Coalition for the Urban Poor
DCC	Dhaka City Corporation
DfID	Department for International Development (Great Britain)
DMA	Dhaka Metropolitan Area
DMDP	Dhaka Metropolitan Development Plan
DSMA	Dhaka Statistical Metropolitan Area
DMP	Dhaka Metropolitan Police
DWASA	Dhaka Water and Sewerage Authority
FBCCI	Federation of Bangladesh Chambers of Commerce and Industry
GOB	Government of Bangladesh
Gram	Village
Grameen Trust	A Bangladeshi Research Organisation
GSS	Gono Shahajjo Shangstha, a Bangladeshi NGO
Hartal	General Strike
HGI	Humane Governance Index
IFI	International Financial Institution
IMF	International Monetary Fund
ICRG	International Country Risk Guide
JICA	Japan International Cooperation Agency
JP	Jatiya Party
Mastaan	Mafia
MFN	Most Favoured Nation (term used by the United States)
Mukti Bahini	Freedom Fighters in pre-independent Bangladesh
NIC	Newly Industrialising Country
NGO	Non-government Organisation
NGOAB	NGO Affairs Bureau
OECD	Organisation for Economic Cooperation and Development
Panchayats	System of local government prior to Mughal rule. Panchayats were an elected group with executive and judicial powers.
Parishad	Council
Proshika	A Bangladeshi NGO
RAJUK	Rajdhani Unnayan Kartripakyha, Dhaka's Capital Development Authority
SAP	Structural Adjustment Programme
SIP	Slum Improvement Programme

Thana	Means local police station but also used to define an area for local government
UBSDP	Urban Basic Services Delivery Programme
UDC	Urban Development Centre
UNDP	United Nations Development Programme
UNICEF	United Nations Children's Fund
USAID	United States Agency for International Development
WB	World Bank
Zila	District

Introduction

This thesis focuses on two aspect of development – governance and urban development specifically in relation to Dhaka, Bangladesh.

Governance as an area of interest has grown significantly over the last decade to the extent that it is difficult to find discussions on development that do not mention it at least briefly. The growth of neo-liberal ideas from the late 1970's onwards, influenced by dissatisfaction with the performance of previous development theories such as 'trickle down', led to a greater emphasis being placed on the role of the private sector in development and hence a lessening role for governments. Structural adjustment programmes became the new focus highlighting the importance of the market in economic development. However, a lack of success with these programmes led the World Bank to propose that poor governance was the cause and, therefore, if governance was improved economic growth and poverty alleviation would follow.

A notable number of criticisms have developed regarding the agenda for good governance. The definition of the term 'good governance' has raised concerns in many quarters, some criticising the World Bank for its narrow administrative and managerial definition which ignores the complexities and relevance of politics and culture while others determine that 'good' has been defined with regard to Western cultural and social norms which are now being imposed on developing nations. Key components of good governance, regardless of who is defining it, generally include the drive for greater democratisation and decentralisation. Yet research has shown that there are tenuous links between these features and their ability to lead to good governance, let alone lead to a reduction in poverty, which has been cited as the overall aim of achieving good governance. Non-democratic regimes, such as those in South Korea, Taiwan and Singapore, have shown that they can significantly reduce poverty without having to establish a democratic government. Likewise, decentralisation does not necessarily allow greater participation by a wider group of people as in some cases systems of decentralisation enable the central elite to consolidate their power and influence locally.

The good governance agenda has also led to an increasing importance being placed on the role of civil society with many donors preferring to now fund civil society organisations rather than the government. However, this has failed to adequately recognise the governance issues evident in civil society and that the increased availability of foreign funds to this sector of society may in fact worsen their state of governance.

The push for developing countries to improve their governance, through the development policies and adoption of practices that adhere to the principles of good governance, has been impressive given that there are so many concerns regarding good governance. The amount of policies, programmes and projects favouring good governance during the last decade has been significant and there is no indication at this stage that funding levels will diminish in the near future. Given this situation (the push for good governance, the number of concerns surrounding it and the levels of funding available) it is an important aspect of study for the discipline of development and this has been acknowledged through the continued emphasis on governance by many research institutions and universities worldwide. However, it is of particular importance today since the agenda's influence is now progressing to expand into newer areas of focus, such as urban development.

Urban development issues have risen more recently as an area of interest due to the rapidly increasing urbanisation of the developing world and an increasing recognition that good governance needs to be thought of in terms of specific contexts. Urban governance, as defined by academics, highlights the roles that particular actors play in the development of urban centres, and how their interests and actions influence the management of cities and the development that takes place. It also recognises that compromises and alliances are made between different individuals and groups depending on specific needs at a particular time. While there may be bonds between particular groups, based on factors such as familial or professional ties, these are always evolving and changing and therefore cannot be seen as static entities. Analysing urban governance should also always give some consideration to national governance, since the national situation provides the context in which local governance develops.

Devas[1] suggests that recent research on urban issues has focused predominantly on two areas. Firstly, research of a prescriptive nature which analyses local governments and management and recommends how matters can be improved, often including debates on decentralisation and participation. Secondly, research which analyses urban poverty, livelihood strategies and the roles that civil society organisations, such as non-government organisations (NGOs) and community-based organisations, play in addressing urban poverty. While the first approach assumes that the state is in a position to control what happens, the second sees the state as either irrelevant or oppressive. He identifies a research gap between these two approaches in that few have looked at the interactions between the various actors, their influence and interests.

It is not obvious why this gap exists, although perhaps is indicative that some research has tended to view development problems as a result of conflicting relationships between government and the poor, the two polarised in terms of their wants, needs and actions. It may also have been influenced by the lack on attention given to the political nature of individual or group actions and the lack of acknowledgement of the importance of culture, which provides a guide to accepted behaviours and values for the actors within a society. This thesis attempts to close this gap in some way by identifying the actors, their influence, and interests in terms of one city, Dhaka, and analysing the impact that these actors have on attempts to improve the state of local governance and management in the city.

By using this information, the thesis takes one further step in that it attempts to identify what may be necessary to improve the governance situation in the city. While the good governance agenda is seen by some as a prerequisite for successful development resulting in poverty alleviation, there appears to be few who question whether or not there is a prerequisite for good governance. What needs to be in place for good governance to exist? This thesis concludes that the good governance agenda has reached an impasse in Dhaka due to a lack of political will and commitment, political will and commitment being the prerequisite for good governance and successful development.

Although political will is normally discussed in terms of government only, this discussion proposes that political will is needed from different sectors within society if

opposition to change is to be overcome. Unless the government, civil society and donors demonstrate political will good governance is unlikely to be achieved. The government, as elected representatives, provides leadership and sets the context for change; donors have their own political and strategic agendas; and civil society's attitudes and behaviour either reinforce current societal norms or challenge them. All impact on the final outcome.

The objectives of this research are to:

1. Critique the good governance agenda and its ability to achieve good governance and therefore alleviate poverty;
2. Determine the relationship between urban governance and national governance and how power relations effect the achievement of good governance, and vice versa, specifically in relation to Dhaka, Bangladesh.

Given these objectives, a number of key questions present themselves. Firstly, to determine what is meant by the term 'good governance' and what characterises good governance, since the term, although used widely in development circles, has different meanings to different people. Therefore, it is also important to determine who and what has driven the good governance agenda, especially since there appears to be unconvincing arguments regarding the ability of good governance to reduce poverty. Since this thesis is also concerned with urban development and good governance's link to urban centres it is also necessary to question how urban governance relates to the good governance agenda and to governance at the national level. The answers to these questions form the foundation for the case study on Dhaka since they provide the reader with an understanding of the wider issues of governance.

A second set of questions specific to Dhaka include ascertaining which key economic, political and social groups play an important role in the city's development and how their relationships with each other, their levels of interest and influence impact on the state of governance. There is a stated desire by donors and some civil society organisations to improve the governance situation in Dhaka and so it is necessary to also investigate what strategies are used to achieve this, the likelihood of their success and the level of will and commitment behind these initiatives. The will and commitment of government is also an issue since government plays an important role in

establishing the context for change and action. In addressing these questions it may be possible to better understand why governance policies and practices may not be successful and to better target development programmes. Levels of interest and motivation can be assessed and in light of these strategies developed to build partnerships and to negate conflict or opposition.

Dhaka provides an interesting case study to look at the issues of governance and urban management. While some of the present governance issues in Dhaka may be attributed to past rulers, such as Pakistan and Britain, Bangladeshi leaders themselves have not always established systems of local governance that benefit the majority of the people. Their actions have further hindered development and poverty alleviation attempts rather than assisting them[2]. Today, the city faces enormous population growth, the United Nations (UN) predicting it will be the fifth largest city in the world by 2015[3]. Consequently, the increasing pressure on already under-resourced and inefficient urban service providers to meet the needs of the city's residents, half of whom live below the poverty line, is a continual and growing concern. The urban management challenges facing the city, combined with the poor governance situation, present a bleak outlook for the future.

While Dhaka is relatively ethnically and religiously homogeneous, there are many groups and individuals in Dhaka who have different interests and it is to a large extent their behaviour which impacts on the ability to improve the governance situation in the city. By looking at Dhaka, where the complexities of ethnicity and religion are generally not a contributing factor to the governance situation, it is possible to highlight other factors which drive people's actions.

Dhaka also proves interesting because the city has a long history of donor presence. While donor interest in urban governance issues is relatively recent, donors have been implementing governance initiatives in Bangladesh since the early 1990's. Over this time it would be expected that they have developed an understanding of the national governance situation and have analysed what initiatives are likely to be more successful. Given this experience and knowledge, it could be assumed that their more recent undertakings in Dhaka should have a higher chance of success.

Research Methodology

The research was conducted in two phases, the first being the collection and analysis of secondary data and the second being data collection and analysis through the use of informal interviews with key informants.

In the first phase, sources were sought to determine: a) the historical development of the good governance agenda and the characteristics of good governance; and b) criticisms of the good governance agenda as a whole, or aspects of it.

Additionally, research was carried out to identify suitable cities to use as a case study. Dhaka was chosen for a number of reasons, including the availability of information on governance issues in Bangladesh, the presence of a number of NGOs and donors and the level of development activity in the city. Literature specific to Dhaka and Bangladesh was sourced in order to determine possible issues to follow up on while in Dhaka as well as more general information concerning the political structure of Dhaka, levels of centralisation and decentralisation and particular interest groups. During this period, I also used the Internet to find out which donors and NGOs were working in Dhaka before contacting them directly. At the time of my departure from New Zealand, I had received a reply from twelve organisations which provided me with a good base to start the second phase of my research.

The second phase of the research concerned completing informal interviews with key informants in Dhaka over an eight-week period. The first two weeks of the field research period was spent largely familiarising myself with urban planning and management issues in Dhaka through general discussions with a range of people as well as obtaining locally published literature. The resource centres at the World Bank, Asian Development Bank (ADB), United Nations Development Program (UNDP), United Nations Children's Fund (UNICEF), BRAC, Grameen Trust and Proshika were useful for this purpose.

Prior to my arrival in Dhaka, I had planned to carry out key informant interviews in relevant donor agencies, NGOs, community-based organisations, local and central government and key political, social and economic groups. However, due to some

difficulties in making contacts, obtaining interviews, and a general reluctance of interviewees to name names (in relation to interest groups and people with influence) the majority of interviewees were with donor agencies and NGOs.

Table 0.1: Interviews	
Category of Organisation	*Number of interviews*
Multilateral donors	7
Bilateral donors	6
NGOs and local research institutions	8
Government officials (central and local)	4
Consultants to donors (local and international)	3
Total number of interviews	*28*

The key questions noted previously formed the basis of all interviews.

While nobody that I contacted refused an interview, it was apparent in a small number of cases that the interviewee was reluctant to discuss their personal opinions and experiences regarding governance issues. With the interviews being carried out at the interviewee's place of work I could also not control the environment which the interview was conducted. At times, interviewees shared an office or workspace with other employees, which may have been why they were unwilling to speak openly. Interruptions (such as the telephone, other employees) during the interview were also common. It was difficult to obtain specific information regarding who the key players were and most information was given in very general terms such as 'real estate developers' as opposed to 'Mr. MD. Rahman of X company'. In many cases interviewees told me that 'everyone knows who these people are' but were not themselves prepared to discuss who they were and what they did despite research confidentiality being discussed with the interviewees[4]. The threat of censure, among other things, may have been one reason for this or simply the interviewee did not know any relevant information and/or were unwilling to say so. The outcome was that less specific information was obtained than desired. In some cases more than one interview was carried out with particular interviewees in order to try and build a greater level of trust to obtain more detailed information, but this was not always successful.

A number of frustrations were experienced in trying to carry out research in a non-English speaking and non-western country. Firstly, while many people had a secretary

they were not prepared to make appointments if the person I wanted to speak to was not in the office. It was also almost always impossible to make appointments more than two or three days in advance. The telephone system was often over-loaded making it difficult to contact people during peak times of the day. Many Bangladeshi's were not available before 10 a.m. in the morning therefore shortening the period that was available to see people since traffic jams are common and it took a long time to travel even a few kilometres. Ramadan, the Muslim month of fasting, commenced in the fourth week of my field research which also meant most offices closed at 3 p.m. in the afternoon, the latest possible appointment time was normally 1 p.m. to allow for an 1-2 hour interview. Traffic congestion during Ramadan also worsened. During this period it was rarely possible to get to two interviews per day, increasing the overall length of time spent traveling to and from appointments in a week. In three or four cases, when I began to ask questions, I was also given numerous documents, told to go away and read them and then come back if I had any questions. This hampered the ability to find out people's personal views and experiences with regard to particular projects or strategies to improve governance. However, these experiences were useful in that it provided some insight into the culture and the context in which business is carried out in the city. While frustrating at times it was also interesting and indirectly informative.

Most interviewees had a good level of English language ability and therefore it was not necessary to use interpreters, although at times interviewing was slow because of the need to simplify my own language. Limited time with regard to the actual length of field research prevented information being sought from a grassroots level. However, an effort was made to find studies completed by other parties which included interviews with people at the other levels of the social strata. These limitations should be taken into consideration when reading the perspectives provided in this research.

Where interviewees provided information regarding events and facts, every attempt was made to verify the information either through discussions with other interviewees or through published accounts such as project reports, evaluations and newspaper reports. I have attempted to contact those interviewees and seek their approval regarding statements quoted in this thesis. A lack of response has resulted in generalised references being made, e.g. a government employee rather than Mr. MD. Rahman.

The Chapters

Chapter One investigates the origins of the good governance agenda and how it has created a new focus for development policy and the distribution of project and programme aid over the last decade. While it is difficult to argue against the principles of the agenda there is little evidence supporting the positive correlation between its key characteristics (greater democracy, decentralisation and an enhanced civil society) and poverty alleviation in developing countries. This chapter also introduces the concept of urban governance and its relevance to national governance. While there are disagreements over the definition of good governance this is further complicated by the different uses of the term 'urban governance' by donors, civil society and academics.

Chapter Two first outlines the state of national governance within Bangladesh before looking more specifically at the issue of urban governance in Dhaka. The present state of the city with regards to population growth, poverty levels and the provision of urban services is described before looking at the key actors and their opportunities for power and influence. The relationships between the actors, some who are continually attempting to obtain more power and influence while others have a daily struggle to exist, help create or maintain the poor governance situation in Dhaka.

Chapter Three looks at the level of foreign assistance in Bangladesh and Dhaka and the amount aimed at governance projects. The discussion also focuses on the types of strategies undertaken by donors and civil society to improve the city's governance situation and their chance of success given the context in which they are being implemented. A number of initiatives are discussed specifically, which include the World Bank's Fourth Dhaka Water Supply Project, ADB's Good Urban Governance in Dhaka Project and various strategies used by the Coalition for the Urban Poor, a local NGO.

Finally, Chapter Four proposes that greater levels of success in improving the governance situation in the city is only possible if political will and commitment is demonstrated by the government, civil society and donors. The government demonstrates its lack of will to improve governance at the city level by maintaining

wide-ranging controls over local governments through processes of decentralisation, financial dependency and recruitment. Civil society's attitudes and behaviours can be shown to reinforce patron-client relationships, a tolerance for corruption and poor governance in general. Donors must also take some responsibility for the governance situation. They must demonstrate political will and commitment by thinking twice before implementing agendas which meet their strategic and political interests but which are not beneficial to developing countries.

The thesis concludes that the good governance agenda has reached an impasse in Dhaka and will not progress further unless there is a will to openly acknowledge those factors which hinder development and openly commit to changing them for the betterment of the majority. This cannot be accomplished by one sector of society but must be a joint effort by government, civil society and donors. Development cannot be forced and requires a real determination by those concerned with development, whether at the centre or peripheries, to make a concerted effort to adequately weigh up the costs and benefits of their and others actions and attitudes. Will and commitment is a prerequisite for good governance and poverty alleviation.

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[1] Devas, 1999

[2] Appendix 1 provides a brief overview of the history of Bangladesh and the systems of local governance to enable the reader to gain an historical perspective on the issues concerning Dhaka in the 21st century.

[3] ADB, 2000

[4] Massey University research ethics guidelines were followed for all interviews. Confidentiality issues were discussed with all interviewees and all interviewees were informed that any information they provided would only be used for this thesis or publications resulting from it, and their consent was necessary for any information or comments to be attributed to them. Participants were also advised that they could decline to participate in the research; refuse to answer any particular question; withdraw from the study at any time; ask any questions about the study at any time during participation; and request access to a summary of the findings of the research when it is concluded.